

OFF-LICENSE SETTLEMENT AGREEMENT

Resident Fish Stocking and Wells Wildlife Area Funding

**An Agreement Between the Washington State Department of Fish and
Wildlife and the Public Utility District No. 1 of Douglas County**

**Wells Hydroelectric Project
FERC Project No. 2149**

December 10, 2007

WDFW 12/11/07
signed

OFF-LICENSE SETTLEMENT AGREEMENT
Resident Fish Stocking and Wells Wildlife Area Funding

This AGREEMENT is entered into between the Public Utility District No. 1 of Douglas County, Washington (Douglas), a municipal corporation, and the State of Washington, Department of Fish and Wildlife (WDFW). Douglas and WDFW may be referred to herein collectively as the "Parties" and individually as "Party."

RECITALS

1. Douglas is the initial licensee and current operator of the Wells Hydroelectric Project (FERC Project No. 2149). The original FERC license for the Wells Project expires on May 31, 2012. Douglas has commenced the process to apply for a new FERC license.
2. WDFW (at the time Washington Department of Game and Washington Department of Fisheries) participated in the initial licensing proceeding for the Wells Project. WDFW was involved in the assessment of project impacts to recreational fisheries and to wildlife habitat.
3. On July 15, 1974, WDFW and Douglas entered into a wildlife mitigation agreement (1974 Agreement) as a result of a FERC hearing involving wildlife mitigation for the Wells Hydroelectric Project. The 1974 Agreement required Douglas to transfer, in fee title, 5,715.8 acres of land to WDFW and to provide a lump sum payment of \$1,250,000 to establish the Wells Wildlife Area. The money was deposited by WDFW into a Special Wildlife Fund. The fund has paid for the operation of Wells Wildlife Area since that time. On July 19, 1994, WDFW determined that the fund did not contain adequate monies to ensure the continued operation of the Wells Wildlife Area through the term of the Wells Project license. To ensure continued operation of the Wells Wildlife Area, Douglas and WDFW entered into a Memorandum of Agreement in which Douglas provided "Supplemental" funding to WDFW to augment the income from the Special Wildlife Fund.
4. The Wells Wildlife Area is located in Douglas and Okanogan counties of Washington State and consists of six units -- three shoreline/riparian units and three upland units. Bridgeport Bar (502 acres), Okanogan (100 acres) and Washburn Island (261 acres) are located along the shoreline of the Wells Reservoir and a portion of each unit lies within the Project Boundary. West Foster Creek (1,025 acres), Central Ferry (1,602 acres) and Indian Dan Canyon (4,716 acres) are upland units and are entirely outside the Wells Project Boundary. WDFW leases 1,550 acres of land from the Washington Department of Natural Resources. Management of the DNR land and 180 acres of Bureau of Land Management land located within the Indian Dan Unit boundary will be funded through this Agreement.

5. The Cassimer Bar Wildlife Area is owned by Douglas but jointly managed by the Confederated Tribes of the Colville Reservation and Douglas for the benefit of wildlife at the confluence of the Okanogan and Columbia rivers and is excluded from this agreement.
6. The original management goal for the Wells Wildlife Area was to enhance and manage upland game habitat and release upland birds for public hunting. The goal of the program was broadened, after the pheasant release program ended, to include the development of winter and migratory waterfowl food plots and to further enhance upland bird habitat. The goal of the program was also expanded to include the enhancement of native riparian, wetland and shrub steppe habitat to support native wildlife species diversity on Wells Wildlife Area lands both within and adjacent to the Wells Project. WDFW and Douglas agree that the habitat enhancement on the Wells Wildlife Area has successfully achieved the mitigation goals of the 1974 Agreement.
7. Douglas has provided WDFW the opportunity to raise 20,000 pounds of rainbow trout and up to 75,000 summer/fall Chinook fry at the Wells Hatchery. The rainbow trout have been planted in lakes in Douglas and Okanogan counties to provide recreational fishing opportunities in the Project area. The Chinook fry have been planted in a tributary to Lake Chelan to also provide recreational fishing opportunities.
8. In 2006, FERC issued a Policy Statement on Hydropower Relicensing Settlements that limits the ability of licensees to include certain ongoing measures outside of their respective project boundaries as conditions of a new operating license enforceable by FERC. The rainbow trout program, Chinook fry stocking and Wells Wildlife Area all have components of their respective programs that support activities that occur outside of the Wells Project Boundary. WDFW contends that the rainbow trout program and Wells Wildlife Area Funding programs are necessary to mitigate for ongoing impacts of the Wells Project during the term of the new operating license. Douglas contends that there are no ongoing impacts on Resident Fish, Wildlife Resources and their associated habitats related to the Project. Although Douglas and WDFW disagree regarding ongoing impacts to Resident Fish and Wildlife Resources and their associated habitats related to the Project, Douglas and WDFW would like to continue these programs during the term of the New Operating License. To ensure the continuation of these two programs, Douglas and WDFW have entered into this Agreement for the Wells Project outside of the FERC relicensing process. WDFW and Douglas will not seek FERC approval to continue these two programs. References to these programs will be included in the Final License Application that Douglas intends to file with FERC. FERC may or may not include these programs as conditions of the New Operating License. Douglas and WDFW intend that these programs be implemented pursuant to this Agreement to settle WDFW's contention with respect to ongoing impacts to Resident Fish,

Wildlife Resources and their associated habitats and to provide enhancements to Wildlife Resources, Resident Fish resources and their associated habitats through mutually agreed upon measures.

9. Although one of the purposes of this Agreement is to resolve any and all claims or assertions by WDFW relating to ongoing Project impacts on Wildlife Resources, Resident Fish and their associated habitats, by agreeing to fund the activities outlined in this Agreement, Douglas is not admitting that there are any ongoing impacts associated with the Wells Project.
10. At the time of execution of this Agreement, Douglas and WDFW recognize and appreciate the quality of wildlife habitat on Wells Wildlife Area lands as managed under the ongoing Wells Wildlife Area Funding Program. It is the intent of both Parties to continue to manage Wells Wildlife Area lands during the term of the New Operating License to maintain a comparable level of habitat function and quality on these lands. Therefore, both Parties agree it is their intent to continue to maintain a working relationship based on reliability and reasonableness in the pursuit of maintaining the level of habitat function and condition currently achieved on Wells Wildlife Area lands.

Now therefore, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the Parties hereto as follows:

1.0 DEFINITIONS

- 1.1 "CWA" refers to the Clean Water Act.
- 1.2 "FPA" refers to the Federal Power Act.
- 1.3 "HCP Plan Species" refers to those anadromous fish species covered by the HCP, including spring, summer/fall Chinook, steelhead, sockeye and coho.
- 1.4 "HCP" refers to the Wells Anadromous Fish Agreement and Habitat Conservation Plan.
- 1.5 "New Operating License" means the first long-term operating licenses for Project No. 2149 to be issued by the FERC to Douglas and any subsequent annual licenses that take effect after the expiration of the New Operating License.
- 1.6 "Original Operating License" means the original fifty (50) year operating license, as amended, for Project No. 2149 issued by the FERC with an expiration date of May 31, 2012 and any subsequent annual licenses that take effect after the expiration of the Original Operating License.

- 1.7 "RTE" means rare, threatened and endangered species, including aquatic, terrestrial or botanical species, listed as endangered, threatened and candidate species by the federal Endangered Species Act. RTE also includes species listed as endangered, threatened and sensitive by the Washington State Department of Fish and Wildlife and further includes threatened or endangered botanical species as defined by the Washington State Natural Heritage Program.
- 1.8 "Resident Fish" means all fish species residing within the Wells Reservoir except for those fish species covered by the Aquatic Settlement Management Plans (including the Bull Trout, Sturgeon and Pacific Lamprey plans), and the five species of anadromous salmonids covered by the HCP.
- 1.9 "Wildlife Resources" means all wildlife, wildlife habitat and botanical resources found within or affected by the Wells Project.

2.0 DURATION OF AGREEMENT

This Agreement shall become effective upon execution by both Parties, provided that Douglas's obligations in Section 5.1 shall commence June 1, 2012. This Agreement shall expire upon the expiration of the New Operating License.

This Agreement shall terminate (1) in the event that FERC does not issue a New Operating License to Douglas for the Wells Project or (2) on the expiration date of any New Operating License or (3) in the event that FERC issues a New Operating License to Douglas that is not accepted by Douglas or (4) in the event that the New Operating License is revoked or (5) in the event that WDFW and/or Douglas does not adhere to the provisions described in Section 5 (Obligations) following application of the Dispute Resolution process described in Section 6 (Dispute Resolution).

3.0 MODIFICATION OF AGREEMENT

This Agreement may be amended or modified only by written consent of both Parties.

4.0 SCOPE OF PROGRAMS

4.1 Trout Program

The goal of the Trout Program is to address WDFW's contentions with respect to ongoing Project impacts on Resident Fish, Resident Fish habitat and lost Resident Fish harvest during the term of the New Operating License (not including HCP Plan Species, white sturgeon, bull trout and Pacific lamprey), by enhancing Resident Fish resources within Okanogan and Douglas counties. The program will provide 20,000 pounds of rainbow trout equivalents to be stocked annually in Okanogan and Douglas Counties for the enhancement of recreational fishing harvest opportunities. The fish for this program will be raised at the Wells Fish Hatchery, provided sufficient hatchery capacity exists after HCP Plan Species hatchery needs are met, unless otherwise agreed. If the fish are raised somewhere other than at the Wells Fish Hatchery, both Parties must agree that fish quality and fish health status are equal to or better than fish raised at the Wells Fish Hatchery.

The Trout Program, to be implemented through this Agreement, shall be composed of similar numbers of fish at the various life-stages as the Rainbow Trout Program approved for implementation in 2007.

In 2007, the Wells Fish Hatchery was authorized to raise and release 125,000 fingerlings at 75 fpp (1,667 pounds), 35,000 catchable trout at 2 fpp (17,500 pounds) and 500 trout at 0.6 fpp (833 pounds). Modifications to the Trout Program, described above, can only be made following the annual coordination meetings between the Parties and only following mutual consent of both Parties to this Agreement.

Various life stages of trout can be raised and released provided that the aggregate weight does not exceed 20,000 pounds of rainbow trout equivalents and does not negatively impact production of HCP Plan Species. The following tasks will be implemented toward the fulfillment of the goals of the Trout Program:

- 4.1.1 Acquire sufficient eyed trout eggs from either a state, federal or private hatchery program (e.g., Ford Fish Hatchery, Columbia Basin Hatchery, Omak Hatchery, Trout Lodge, Columbia Fish Farms) to be reared toward fulfillment of the goals of this program;
- 4.1.2 The transportation and planting of these fish will be conducted by Wells Fish Hatchery staff including the use of planting trucks assigned to the Wells Hatchery and other adjacent hatcheries, when needed;
- 4.1.3 Notice of joint cooperation by WDFW and Douglas shall be posted at the lakes enhanced by this program. Douglas shall provide the materials and labor associated with posting this information.

4.2 Additional WDFW Trout

WDFW has requested access to the Wells Fish Hatchery to raise fish for the agency's own purposes beyond those required under this Agreement. These "Additional Fish" are not part of this Agreement and the funding and facilities required to raise these fish are not Douglas's responsibility. However, through this Agreement, Douglas agrees to consider WDFW's future request(s) to raise Additional Fish at the Wells Fish Hatchery during the annual Trout Program coordination meeting, on a year to year basis, provided that the following conditions are met prior to the initiation of each year's program:

- 4.2.1 Douglas has secured sufficient water rights for the Wells Fish Hatchery and for rearing WDFW's Additional Fish;
- 4.2.2 WDFW's Additional Fish will not change or in any way negatively affect the rearing of fish to meet Douglas's obligations at the Wells Fish Hatchery;
- 4.2.3 Douglas retains full ownership over any new permanent infrastructure sited, developed or installed within the boundary of the Wells Project, including the Wells Fish Hatchery;
- 4.2.4 WDFW's Additional Fish program will not impede Douglas from implementing various hatchery sharing and species trade agreements with other agencies;
- 4.2.5 WDFW has secured the applicable permits for the proposed program;
- 4.2.6 WDFW reimburses Douglas for all costs required to produce and transport WDFW's Additional Fish; and
- 4.2.7 WDFW will not hold Douglas responsible for any unforeseen circumstances that may result in the death of WDFW's Additional Fish prior to their release into state waters.

4.3 Wells Wildlife Area Program

The Wells Wildlife Area Program addresses WDFW's contentions regarding ongoing project impacts to Wildlife Resources by providing mitigation lands and funding to create, protect, maintain and enhance Wildlife Resources. The goal of the program is to create, protect and maintain wildlife habitat on the Wells Wildlife Area including habitat that WDFW and Douglas PUD developed during the implementation of the 1974 Agreement. For the duration of this Agreement, unless changes are approved in advance by both Parties, WDFW will implement the Wells Wildlife Area Program, including the following tasks:

- 4.3.1 Grow annual food crops on Bridgeport Bar and Washburn Island Units to benefit waterfowl and other wildlife;
- 4.3.2 Grow annual food crops and maintain feeders and water catchments on all units for upland game birds and other wildlife species;
- 4.3.3 Protect and maintain the riparian vegetation on all units to benefit riparian obligate species and maintain nesting habitat and cover for upland game birds, raptors and passerines;
- 4.3.4 Protect and maintain the ponds and wetland habitats on all units as habitat for amphibians and other wetland obligate species;
- 4.3.5 Protect and maintain riparian habitat on Indian Dan Canyon Unit used by Bald eagles (*Haliaeetus leucocephalus*) as a night roost to benefit wintering bald eagles;
- 4.3.6 Protect and maintain shrub steppe habitat on all units for upland game species, shrub steppe obligate species including sharp-tailed grouse (*Tympanuchus phasianellus*), greater sage grouse (*Centrocercus urophasianus*) and mule deer (*Odocoileus hemionus*);
- 4.3.7 Provide wildlife related recreation opportunities including hunting and wildlife observation on the wildlife area;
- 4.3.8 Control invasive weeds to protect and maintain habitat;
- 4.3.9 Maintain all boundary fencing to prevent livestock trespass. Build and replace boundary fences as needed;
- 4.3.10 WDFW will not lease any unit for livestock grazing or allow camping outside of parking areas on the wildlife area, in order to protect wildlife habitat;
- 4.3.11 Promote native vegetation where it is consistent with the goals of the program.

The Parties will annually review the program, and by mutual agreement may modify and expand any of the above tasks.

5.0 OBLIGATIONS

5.1 Douglas's Responsibilities

5.1.1 Trout Program

Douglas will provide funds necessary to produce and transport the fish described in Section 4.1 (Trout Program). Douglas will meet with WDFW in April of each year to establish the annual rearing goals of each year's Trout Program and to determine how best to meet the trout obligation. Approval of the annual Trout Program will take place prior to May 1st and in time for WDFW to modify the following year's planting schedule. If Douglas cannot raise all or part of the trout covered under the Trout Program at the Wells Fish Hatchery, then Douglas will purchase the remaining portion of the program per Section 4.1.

5.1.2 Wildlife Area Operation and Maintenance (O&M) Funding

Douglas will provide annual O&M funding for the Wells Wildlife Area Program as described in Section 4.3 (Wells Wildlife Area Program). Douglas will meet with WDFW by April 1 of each year to discuss the wildlife mitigation program, annual objectives and budget for the state fiscal year (July 1 to June 30). The annual budget, due by May 15, will include: salaries and benefits, goods and services, equipment repair and replacement, property taxes, fire protection contracts, land rental, training and travel. The Douglas Board of Commissioners will consider the budget before July 1. Upon approval of the yearly budget, Douglas will pay, on a time and material basis, reasonable monthly billings from WDFW for the operation of the Wells Wildlife Area. All billings will be paid within 30 days of receipt of a correct bill with adequate documentation. All billings must be submitted to Douglas before September 15th for the previous fiscal year. The total amount billed each year will not exceed \$200,000 (2007 dollars), for the maintenance and operation of the Wells Wildlife Area for that fiscal year. This amount does not include costs related to the Capital Equipment Replacement Fund and does not include costs associated with the Habitat Restoration Fund. The dollar figure provided above shall be adjusted for inflation on the 1st day of January of each year based upon the Consumer Price Index for all Urban Consumers, U.S. City Averages, All Items, Not Seasonally Adjusted. The price index is published by the U.S. Department of Labor, Bureau of Labor Statistics. If said index is discontinued or becomes unavailable, a comparable index, mutually agreed upon by both Parties, will be substituted.

5.1.3 Habitat Restoration Funding

Douglas will provide WDFW with Habitat Restoration Funding to restore habitat damaged by fire on the Wells Wildlife Area in the amount not to exceed \$50,000 (2012 dollars) over the term of this Agreement. The dollar figure provided above shall be adjusted for inflation as described in Section 5.1.2 (Wildlife Area O & M Funding). Use of the fund will be by mutual agreement between Douglas and WDFW. WDFW will bill separately for seed, nursery stock, fertilizer, and herbicide costs for the restoration work.

5.1.4 Capital Equipment Replacement Funding

Douglas will provide WDFW with funds to replace capital equipment necessary for the maintenance of the Wells Wildlife Area over the term of the Agreement. Equipment listed in Appendix A will be replaced when it has reached the end of its Useful Life.

Useful Life is defined as the time when equipment repairs exceed the current value of the equipment. WDFW agrees to maintain all equipment (e.g., oil, lubrication, filters and hour meter) in working condition and maintain records of hours of use and cost of repairs. These records will be used to assist with the decision to replace or continue repairing equipment. Replacement of equipment will be by mutual agreement by Douglas and WDFW. Douglas will pay only the dealer's invoice cost of the equipment replacement, upon receipt of a correct invoice from WDFW with a copy of the dealer's invoice.

WDFW agrees to surplus each piece of equipment, unless mutually agreed to retain, replaced by Douglas and provide Douglas with title to the equipment. The surplus equipment will be sold during Douglas's Annual Surplus Sale. Douglas will retain the proceeds from any equipment sold.

5.1.5 Off-Site Use of Wells Wildlife Area Equipment

Sharing of equipment listed in Appendix A with other wildlife areas is not normal day to day operations of the Wells Wildlife Area. Equipment sharing is intended to benefit the Wells Wildlife Area or for emergencies when equipment breaks and time sensitive farming operations must be completed. Equipment purchased through this Agreement can only be taken off of the Wells Wildlife Area following approval of both Parties and pursuant to WDFW being required to keep accurate and adequate records to demonstrate that equipment is being shared equitably between programs.

5.1.6 Use of Project Lands within the Wells Wildlife Area

During the term of this Agreement, Douglas grants to WDFW the right to manage Wells Project lands between the Project Boundary and Wells Reservoir within the boundaries of the Bridgeport Bar, Washburn Island and Okanogan units of the Wells Wildlife Area. WDFW's right to use Project lands is subject to the requirement of Section 5.2.6.4 and 8.0 (Cultural Resources) of this Agreement, and is subject to Douglas's rights, as owner, to use all Wells Project lands for Project purposes.

5.1.7 Additional Grant Funding

Douglas is encouraged to apply for grants and special funding to provide habitat enhancement on the Wells Wildlife Area to meet goals compatible with the Wells Wildlife Area Program in this Agreement. Douglas agrees to provide WDFW with a copy of the draft grant application prior to it being submitted for funding.

5.2 WDFW's Responsibilities

5.2.1 License Application

WDFW agrees to support the Aquatic and Terrestrial measures proposed in the Wells License Application for the New Operating License. This Agreement does not prevent WDFW from providing technical support and expert testimony to the Washington Department of Ecology in connection with the CWA § 401 water quality certification for the Wells Hydroelectric Project.

5.2.2 License Term

WDFW agrees to support Douglas's request for a New Operating License for a term of 50 years.

5.2.3 Water Quality Certification

WDFW agrees to reference only the goals and objectives contained within the management plans attached to the Aquatic Settlement Agreement and the measure(s) contained within this Agreement when working with Washington Department of Ecology to develop the original conditions of the CWA § 401 water quality certification for the New Operating License for the Wells Hydroelectric Project.

5.2.4 FPA Section 10(a) and 10(j)

WDFW agrees to refrain from requesting or advocating for additional FPA section 10(a) and 10(j) conditions or measures for Wildlife Resources, Resident Fish, Resident Fish habitat and lost Resident Fish harvest opportunities during the relicensing proceedings related to the issuance of a New Operating License for the Wells Project.

5.2.5 Trout Agreement

5.2.5.1 WDFW will meet with Douglas in April of each year to establish the annual rearing goals and transportation protocols for each year's Trout Program and to determine how to best meet the trout obligation. A draft budget for the Wells Fish Hatchery is due on March 1st of each year. Approval of the annual Trout Program will take place prior to May 1st and in time for Douglas to modify the hatchery budget for the Wells Fish Hatchery.

5.2.5.2 WDFW agrees to publicly recognize Douglas's contributions to the enhancement of recreational fishing opportunities in Okanogan and Douglas counties by agreeing to allow Douglas to post signage at the lakes enhanced by this program. Language for such signage shall be agreed to by both Parties prior to posting.

5.2.6 Wells Wildlife Program

- 5.2.6.1 WDFW will provide Douglas with a proposed budget, not exceeding \$200,000 (2007 dollars), and will provide a general description of how the proposed budget addresses the goals of the program (see Section 4.3) for the Wells Wildlife Area by March 1st of each year. The dollar figure provided above shall be adjusted for inflation based upon the language provided in Section 5.1.2 (Wildlife Area O & M Funding).
- 5.2.6.2 WDFW will provide complete documentation of all expenditures with each monthly bill. Documentation includes: time records, invoices paid for goods and services, vehicle mileage reports and equipment time logs and reimbursed expenditures. All billings for the previous fiscal year must be submitted to Douglas before September 15th.
- 5.2.6.3 WDFW is encouraged to apply for grants and special funding to provide habitat enhancement on the Wells Wildlife Area to meet State management goals compatible with the Wells Wildlife Area Program in this Agreement. WDFW agrees to provide Douglas with a copy of the draft grant application prior to it being submitted for funding for Douglas's concurrence.
- 5.2.6.4 WDFW will not release or propagate any rare, threatened or endangered (RTE) species below the Project Boundary, not currently found within Project Boundary, without written permission from Douglas. If WDFW releases or raises RTE terrestrial or botanical species on the Wells Wildlife Area, Douglas will not incur any expenses related to those species.
- 5.2.6.5 To ensure consistency with this Agreement, WDFW will provide Douglas with an opportunity to review and modify any action that is expected to take place within the Wells Project Boundary.

6.0 DISPUTE RESOLUTION

6.1 Informal Dispute Resolution

If a dispute arises out of or relates to this Agreement, the Parties agree to first use their best efforts to cooperatively resolve such dispute. Douglas and WDFW shall use their best efforts to resolve disputes arising in the normal course of business at the lowest organizational level between each Party's staff with appropriate authority to resolve such disputes. When a dispute arises between Douglas and WDFW which cannot be resolved in the normal course of business, each Party shall notify the other of the dispute, with a Notice specifying the disputed issues.

The Notice specifying the disputed issues shall initially be sent to WDFW's Regional Program Manager (Fish Program for trout issues or Wildlife Program for wildlife issues)

and Douglas's Supervisor of Relicensing, who shall have 10 business days to resolve the dispute. The discussion at this level may be extended by agreement, or at the conclusion of 10 business days either Party may send a Notice specifying the disputed issues to the second level, WDFW's Regional Director and Douglas's Chief of Environmental and Regulatory Services. The second level shall have 15 business days to resolve the dispute. Discussion at this level may be extended by agreement, or at the conclusion of 15 business days either Party may send a Notice specifying the disputed issues to WDFW's Director and Douglas's General Manager. If the Director and General Manager cannot resolve the dispute within 20 days either Party may proceed to Section 6.2 (Arbitration and Venue).

6.2 Arbitration and Venue

If the Parties are unable to settle the dispute, it is hereby agreed that the dispute shall then be referred to a mutually acceptable arbitrator, or if one cannot be agreed upon, to the nearest office of Washington Arbitration & Mediation Service (WAMS) for resolution within ninety (90) days of a written request for arbitration submitted by either Party. The Parties agree that if they cannot agree on a mutually acceptable arbitrator within ten (10) business days of the request for arbitration by either party, the dispute will be referred to WAMS for preparation of a Strike List for arbitrator selection. All arbitration proceedings shall be conducted in accordance with the Rules of Arbitration of WAMS or applicable administrative service, RCW 7.04 and reasonable discovery provisions as may be stipulated or ordered. The arbitrator's decision shall be final and binding and judgment may be entered thereon, with all remedies otherwise available in court also available in arbitration. The parties agree to equally share the costs of the arbitration process.

WDFW and Douglas agree that the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Agreement that are not affected by the dispute.

If the subject of the dispute is the amount due and payable by Douglas hereunder, WDFW shall continue providing the work pending resolution of the dispute provided Douglas pays WDFW the amount Douglas, in good faith, believes is due and payable, and places in escrow the difference between such amount and the amount WDFW, in good faith, believes is due and payable.

The only legal action permissible under this Agreement is one based on the premise that the arbitration award exceeded the scope of the arbitrator's authority under the Revised Code of Washington. The sole and exclusive jurisdiction and venue of any such legal action shall be in the Superior Court in and for the State of Washington.

6.3 Choice of Laws

This Agreement shall be governed by, and construed, interpreted and enforced in accordance with, the substantive law of the State of Washington (without reference to any principles of conflicts of laws).

7.0 LIMITATIONS OF REOPENING

WDFW shall not invoke or rely upon any reopener clause set forth in the New Operating License for the purposes of 1) obtaining additional Resident Fish or Wildlife Resource measures or 2) obtaining changes in project structures or operations pertaining to Resident Fish, Resident Fish habitat and Wildlife Resources.

However, WDFW may raise issues and advocate measures for Wildlife Resources and Resident Fish through the Aquatic and Terrestrial work groups. Wildlife and Resident Fish mitigation requirements raised outside of this Agreement, through the various resource work groups, should, whenever logistically feasible, be addressed through the implementation of this Agreement provided that those issues are related to the goals of this Agreement and do not significantly diminish or conflict with the ability of WDFW to achieve all of the goals of this Agreement. Mitigation requirements raised outside of this Agreement that significantly conflict or diminish the ability of WDFW to achieve the goals of this Agreement may require Douglas to provide mitigation outside of the Agreement.

8.0 CULTURAL RESOURCES

Douglas is required to comply with federal and state cultural resource protection laws and regulations for activities on lands owned by Douglas. WDFW is required to comply with applicable federal and state cultural resource protection laws and regulations for activities on lands owned by WDFW. WDFW is further required to follow the requirements of the Wells Historic Properties Management Plan (HPMP) for activities on Douglas owned lands.

9.0 FORCE MAJEURE

Neither Party shall be liable to the other for, or be considered to be in breach of or in default under this Agreement because of, any failure or delay in performance by such Party under this Agreement to the extent such failure or delay is caused by or results from any cause or condition which is beyond such Party's reasonable control, to the extent which such Party is unable to prevent or overcome such failure or delay by exercise of reasonable diligence (any such cause or condition, a "Force Majeure"), including but not limited to: failure or threat of failure of facilities or equipment; fire, lightning, flood, earthquake, volcanic activity, wind, drought, storm and other natural disasters or acts of the elements; court order and act, or failure to act, of civil, military or governmental authority; change in governmental law or regulation; strike, lockout and other labor dispute; epidemic, riot, insurrection, sabotage, terrorism, war and other civil disturbance or disobedience; and labor or material shortage.

The Party whose performance is affected by Force Majeure shall notify the other Party in writing within 24 hours, or as soon thereafter as practicable, after becoming aware of any event that such affected Party contends constitutes Force Majeure. Such notice will

identify the event causing the delay or anticipated delay, estimate the anticipated length of delay, state the measures taken or to be taken to minimize the delay, and estimate the timetable for implementation of the measures. The affected Party shall make all reasonable efforts to promptly resume performance of this Agreement and, when able, to resume performance of its obligations and give the other Party written notice to that effect. Upon receipt of notice of a Force Majeure event, any Party may request that the Parties engage in discussion in an effort to modify this Agreement in a mutually satisfactory manner.

10.0 LIABILITY OF PARTIES

Each Party to this Agreement shall be responsible for its own acts or omissions. Except as provided in the preceding sentence, no Party to this Agreement shall be responsible to the other Party for the acts or omissions of entities or individuals not a party to this Agreement.

11.0 NOTICES

11.1 Means of Notification

Unless this Agreement specifically requires otherwise, any notice, demand or request provided for in this Agreement, or served, given or made in connection with it, shall be in writing and shall be deemed properly served, given or made if delivered in person or sent by telegraph, telex, or fax or by acknowledged delivery, or sent by registered or certified mail, postage prepaid to the person specified below:

To WDFW:

Washington Department of Fish and Wildlife
Director
600 Capitol Way North
Olympia, WA 98501-1091

Washington Department of Fish and Wildlife
Regional Director, Region 2
1550 Alder Street NW
Ephrata, WA 98823-9699

To Douglas:

Public Utility District No. 1 of Douglas County
General Manager
1151 Valley Mall Parkway
East Wenatchee, WA 98802-4497

12.0 ASSIGNMENT OF AGREEMENT

Neither this Agreement nor any right, interest or obligation hereunder may be assigned, sold, transferred or conveyed by either Douglas or WDFW without the prior written consent of the other, which Party may withhold its consent in its sole discretion, and any attempted assignment not in compliance therewith shall be void, except assignments and transfers which occur by operation of law. No assignment or transfer of this Agreement, or any interest therein, shall relieve the Parties of any obligation incurred hereunder.

13.0 MISCELLANEOUS

13.1 Further Assurances

Subject to the terms and conditions of this Agreement, each Party shall each use commercially reasonable efforts to take, or cause to be taken all actions and to do, or cause to be done, all things necessary, proper and advisable under applicable law to consummate and make effective this Agreement and, including efforts to obtain all required consents and approvals. Neither Douglas nor WDFW shall, without the prior written consent of the other, take or fail to take any action that would reasonably be expected to prevent or materially impede, interfere with or delay this Agreement.

From time to time after the date hereof, whether prior to or after the execution and without further consideration, the Parties shall, each at its own expense, execute and deliver such documents and provide such information to the other as such Party may reasonably request in order to accomplish, consummate and perform their respective obligations under this Agreement.

13.2 No Consequential, Incidental or Punitive Damages

Consistent with the Recitals to this Agreement, Douglas and WDFW desire to minimize to the extent possible the potential for future disagreements between them with respect to Project No. 2149 from matters arising under this Agreement. Douglas and WDFW also recognize the potential magnitude of the potential consequential, incidental or punitive damages that might arise from this Agreement and desire to eliminate the risks each might face were such categories of damages not excluded. For these reasons, Douglas and WDFW agree that the remedies available to them shall be limited as provided below.

13.2.1 Douglas and WDFW agree that for any claim arising from a theory based on contract law, in no event shall either Douglas or WDFW be liable to each other hereunder for any potential consequential, incidental or punitive damages.

13.2.2 Douglas and WDFW agree that for any claim arising from a theory based on tort law, in no event shall either Douglas or WDFW be liable to each other hereunder for potential consequential, incidental or punitive damages.

13.3 Severability

If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of either Party under this Agreement will not be materially and adversely affected thereby, (i) such provision will be fully severable, (ii) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part thereof, (iii) the remaining provisions of this Agreement shall remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (iv) in lieu of such illegal, invalid or unenforceable provision, the Parties shall, in good faith, negotiate a mutually acceptable, legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible, and shall promptly take all actions necessary to amend the Agreement to include the mutually acceptable, legal, valid and enforceable provision.

13.4 Waivers

Except as otherwise provided herein, no provision of this Agreement may be waived except in writing. No failure by any Party to exercise, and no delay in exercising, short of the statutory period, any right, power or remedy under this Agreement shall operate as a waiver thereof. Any waiver at any time by a Party of its right with respect to a default under this Agreement, or with respect to any other matter arising in connection therewith, shall not be deemed a waiver with respect to any subsequent default or matter.

13.5 No Third-Party Beneficiaries

None of the promises, rights or obligations contained in this Agreement shall inure to the benefit of any person or entity not a Party to this Agreement; and no action may be commenced or prosecuted against any Party by any third party claiming to be a third-party beneficiary of this Agreement or the transactions contemplated hereby.

13.6 No Reliance

Each Party acknowledges that in entering into this Agreement, it has not relied on any statement, representation or promise of the other Party or any other person or entity, except as expressly stated in this Agreement.

13.7 Assumption of Risk

In entering into this Agreement, each of the Parties assumes the risk of any mistake of fact or law, and if either or both of the Parties should subsequently discover that any understanding of the facts or the law was incorrect, none of the Parties shall be entitled to, nor shall attempt to, set aside this Agreement or any portion thereof.

13.8 Waiver of Defenses

Douglas and WDFW release each other from any and all Claims relating to the formation and negotiation of this Agreement, including reformation, rescission, mistake of fact, or mistake of law. The Parties further agree that they waive and will not raise in any court, administrative body or other tribunal any Claim in avoidance of or defense to the enforcement of this Agreement other than the express conditions set forth in this Agreement.

13.9 Independent Counsel

The Parties acknowledge that they have been represented by independent counsel in connection with this Agreement, they fully understand the terms of this Agreement and they voluntarily agree to those terms for the purposes of making a full compromise and settlement of the subject matter of this Agreement.

13.10 Headings

The headings used for the sections herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement.

13.11 Interpretations

In this Agreement, unless a clear contrary intention appears: (a) the singular number includes the plural number and vice versa; (b) reference to any person includes such person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity; (c) reference to any gender includes each other gender; (d) reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (e) reference to any Section, Schedule or Exhibit means such Section, Schedule or Exhibit to this Agreement, and references in any Section, Schedule, Exhibit or definition to any clause means such clause of such Section, Schedule, Exhibit or definition; (f) "hereunder", "hereof", "hereto", "herein" and words of similar import are references to this Agreement as a whole and not to any particular section or other provision hereof unless specifically stated; (g) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including"; (h) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (i) reference to any law (including statutes and ordinances) means such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder.

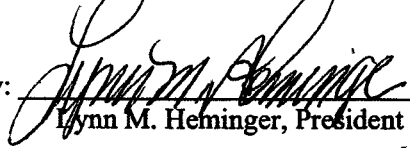
13.12 Legal Authority

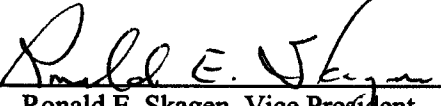
Each party represents and warrants to the other Party that it has full authority and power to enter into this Agreement, that the Party's representatives who sign below are duly authorized by it to enter into this Agreement, and that nothing herein violates any law, regulation, judicial or regulatory order, or agreement applicable to such warranting Party.

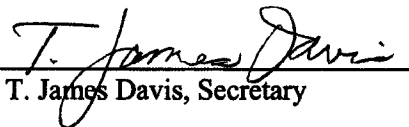
13.13 Agreement Execution

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their proper officers respectively being thereunto duly authorized, and their respective corporate seals to be hereto affixed, the 17th day of December, 2007.

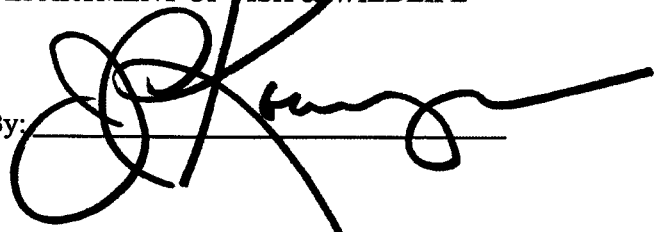
PUBLIC UTILITY DISTRICT NO. 1 of DOUGLAS COUNTY

By: 
Lynn M. Heminger, President

By: 
Ronald E. Skagen, Vice President

By: 
T. James Davis, Secretary

STATE OF WASHINGTON
DEPARTMENT OF FISH & WILDLIFE

By: 

By: _____

By: _____

APPENDIX A
CAPITAL EQUIPMENT REPLACEMENT SCHEDULE

**Appendix A Capital Equipment List for Replacement Under Section
5.1.4¹**

3/4 Ton Pickup Truck
1 Ton Pickup Truck with Flatbed
1/2 Ton Pickup
Snow Plow for one Pickup
Irrigation Trailer
70 hp Tractor and implements² over \$5,000

Maintenance or replacement costs for the Washburn Island irrigation system in excess of \$10,000 shall be split 50:50 between Douglas and WDFW

Wheel Line Replacement ~ 7,700 feet
Handlines 100 units
Irrigation for shrub plantings

30 Hp Irrigation Pumps (2)
20 HP Irrigation Pumps (3)
50 HP Irrigation Pump
100 HP Irrigation Pump

Building - Major Repairs \geq \$10,000
Fuel Tanks and Pumps

¹ The dollar figures contained within Appendix A shall be adjusted for inflation as described in Section 5.1.2 (Wildlife Area O & M Funding).

² Implements used with the 70 hp tractor include: front end loader, disc, drill, field cultivator, packer, 3-point sprayer, harrow, rotovator, shrub planter and corn planter.

Commissioners:
MICHAEL DONEEN
T. JAMES DAVIS
LYNN M. HEMINGER



CC: Eldred
Chack Ly
Chief Executive Officer/Manager:
ELDON E. LANDIN

Public Utility District No. 1 of Douglas County

1151 Valley Mall Parkway • East Wenatchee, Washington 98802-4497 • 509/884-7191

June 21, 1995

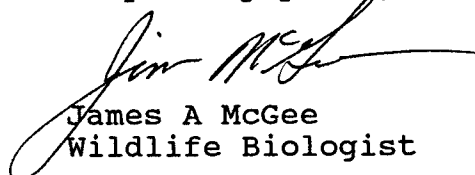
Mr. David R. Mudd
Washington Department of
Fish and Wildlife
600 Capital Way North
Olympia, WA 98501-1091

Dear David:

I am returning a signed original of the Memorandum of Agreement for supplemental funding of the Wells Wildlife Area. The agreement was signed on June 19. I will send copies to both Gordon LaVoy and Marc Hallet.

Thanks for your help with this agreement.

Very truly yours,


James A McGee
Wildlife Biologist

C: Bob Clubb
Gordon LaVoy
Marc Hallet

RECEIVED
JUN 23 1995
WILDLIFE HABITAT PROGRAM

Memorandum of Agreement

1. Parties

a. Public Utility District No. 1 of Douglas County ("District") is a municipal corporation organized under the laws of the State of Washington. The District was authorized by the Federal Power Commission (now Federal Energy Regulatory Commission (FERC)) to construct and operate the Wells Hydroelectric Project, license No. 2149, on the Columbia River.

b. Washington Department of Fisheries and Wildlife ("WDFW") is an agency of the State of Washington and is responsible for the preservation of the fisheries and wildlife resources of the state. WDFW is responsible for the maintenance and enhancement of wildlife habitat on the Wells Wildlife Area.

2. Recitals

a. The District is the licensee and operator of the Wells Hydroelectric Project located on the Columbia River. Article 41 of the District's License requires the District to provide wildlife mitigation for the construction and operation of the Project.

b. On July 15, 1974, WDFW and the District entered into a wildlife mitigation agreement. The agreement required the District to transfer title to certain lands to WDFW and to provide

a lump sum payment of \$1,250,000. The \$1,250,000 was deposited in WDFW's Special Wildlife Fund and is known as the "Wells Special Wildlife Account".

c. WDFW, under the agreement is responsible for the development, management, acquisition of lands and propagation of wildlife on the Wells Wildlife Area.

d. Mitigation efforts were based on wildlife studies and the Federal Power Commission's Environmental Impact Statement which focused primarily on upland game and the loss of associated hunting opportunity. A "put and take" pheasant program was utilized to provide interim hunting opportunities until wildlife populations could benefit from habitat development. The pheasant program was terminated in 1983 to provide additional funding for habitat development.

e. Pursuant to the 1974 agreement, the State invested the money (\$1,250,000) received from the District. The monies received from these investments were intended to fund the Wells Wildlife Area until the year 2012. In recent years the return from the investments has not been adequate to fund the Wildlife Area. The revenues from the State's investments will no longer fund the mitigation program at the desired level of activity.

f. The Wells mitigation project has achieved many of the wildlife and habitat objectives planned for mitigation. The Wells Wildlife Area is regarded as one of the best mitigation projects in the State.

g. The parties desire to continue a successful mitigation project and to provide funding for additional activities on the Wells Wildlife Area. The parties have agreed to supplement the 1974 agreement with the additional terms and conditions as follows.

3. Memorandum of Agreement

a. Agreement of the District

(1) Upon approval of the yearly budget, the District will provide the additional funding required to maintain the mutually agreed level of operation of the Wells Wildlife Area and provide funding for mutually agreed special projects.

(2) The District may provide surplus equipment to WDFW. The equipment will be used on the Wells Wildlife Area and offset the need to purchase new equipment.

(3) The District will work with WDFW to develop a management plan for the Wells Wildlife Area.

b. Agreement of WDFW

(1) WDFW will provide the District with an annual budget for the Wells Wildlife Area. WDFW will provide a annual accounting of yearly funds expended on the Wells Wildlife Area, monies earned from the Wells revenue account, and the balance of the revenue account. The budget will be provided no later than March 15 for the following fiscal year. WDFW will also provide a four year working budget at the beginning of each new biennium.

(2) WDFW will bill the District for the additional funding after WDFW has expended funds accrued in the Wells Special Wildlife Fund account for that year and will provide complete documentation of all expenditures with each billing. The District will be billed monthly after the allocated funds from the Wells Special Wildlife Fund account are exhausted. WDFW will provide the last billing before September 15 for the WDFW's fiscal year ending June 30.

(3) WDFW will cooperate with the District on mutually agreeable special projects on Wells Project lands.

c. Term

(1) This Memorandum of Agreement shall expire at the expiration of the District's current FERC License No. 2149 for the Wells Hydroelectric Project (2012).

d. Support for Relicensing

(1) The District's FERC license for the Wells Hydroelectric Project expires in 2012. The Washington Department of Fish and Wildlife agrees to be supportive of the District's new or renewal license application to the FERC, provided that the District has adhered to the terms and conditions of the "Agreement Between Public Utility District No. 1 of District County, Washington, and the State of Washington Department of Game for Wildlife Mitigation" signed 15 July 1974, executed July 15, 1974, and as supplemented by this Agreement, as well as any future terms, conditions, and obligations agreed upon by the Parties hereto or imposed upon the District by the FERC. To the extent that the

District has met such terms and conditions, WDFW agrees that the District is a competent license holder with respect to its obligations to wildlife resources. Nothing in this paragraph shall limit or preclude WDFW from requesting at the time of any license renewal the provision of or supporting different, modified or additional wildlife protection measures and compensation; or from requiring that the wildlife protection measures contained in a competing license application be included as a condition of the District's new license, or in the absence of such additional or modified measures in a new license, or the absence of measures contained in a competing license application requested by WDFW, from requesting that the District's new or renewal license application be denied.

e. Fish and Wildlife Program

(1) WDFW stipulates that during the remainder of the term of the original license the performance of the District's responsibilities under this Agreement shall constitute full compliance with the applicable provisions of the Northwest Power Planning Council's Fish and Wildlife Program.

f. Limitations of Reopening

(1) WDFW shall not invoke or rely upon any reopener clause set forth in the original license applicable to the Wells Project for the purposes of obtaining additional wildlife measures or changes in project structures or operations pertaining to wildlife issues.

g. Additional Measures

(1) Until commencement of the relicensing proceeding, WDFW shall refrain from contending on their own behalf or supporting any contention by other persons in any proceeding or forum that additional wildlife measures should be imposed at the Wells Project.

h. Cooperation

(1) The Parties shall cooperate in conducting studies and shall provide assistance in obtaining any approvals or permits which may be required for implementation of this Agreement.

i. General Terms Agreed to by the Parties

(1) This Agreement shall remain in full force and effect from the date of signing until the end of the District's License in the year 2012.

(2) Nothing in the Agreement shall be construed as obligating WDFW or the District to expend funds or to make payments in excess of appropriations authorized by law, policy, regulation, resolution, agreement or administrative order.

(3) The parties agree that this Agreement is in addition to the obligations and commitments of the 1974 " Agreement Between Public Utility District No. 1 of Douglas County and State of Washington Department of Game for Wildlife Mitigation" which continues to be fully enforced.

(4) Nothing in this Agreement shall be construed as affecting in any way the statutory responsibilities or jurisdiction of the parties.

(5) The terms "wildlife" and "wildlife mitigation" in this agreement do not include fisheries or fisheries mitigation.

4. Force Majeure

The District shall not be liable for failure to perform or for delay in performance due to any cause beyond its reasonable control. This may include, but is not limited to, fire, flood, strike or other labor dispute, act of God, act of any governmental authority or of WDFW, embargo, fuel or energy unavailability, wrecks or unavoidable delays in transportation, and inability to obtain necessary labor, materials or manufacturing facilities from generally recognized sources in the applicable industry. The District will make all reasonable efforts to resume performance promptly once the force majeure is eliminated.

5. Action for Noncompliance

Notwithstanding any other provisions of this Agreement, any party may seek relief arising solely from noncompliance with this Agreement by either Party; provided, all request for specific performance of any provisions of this Agreement shall be filed with the FERC.

Dated this 19th day of June, 1994.

WASHINGTON STATE DEPARTMENT OF
FISHERIES AND WILDLIFE

9.T.
BY 

PUBLIC UTILITY DISTRICT NO. 1 OF
DOUGLAS COUNTY

BY 

-2-

which include provisions to: (1) stabilize water levels and preserve wildlife habitat in three sloughs located at Cassimer Bar; (2) monitor and maintain all wildlife mitigative structures and plantings; and (3) continue aerial surveys of the Wells Project area for wintering bald eagles.

Implementation of the wildlife mitigative measures would result in long-term benefits to wildlife, offsetting the loss of wildlife habitat that would result from increasing the water level of the reservoir. As a result of construction activities related to implementation of the measures, minor, short-term increases in noise levels, exhaust emissions, erosion, and sedimentation would occur. The Federally listed endangered bald eagle winters along the Wells Reservoir and the endangered peregrine falcon may also occur in the project vicinity, but these species would not be affected. Cultural resources would be protected during any construction activities. For these reasons, it is concluded that approval of the wildlife mitigative measures is not a major Federal action significantly affecting the quality of the human environment.

The proposed wildlife mitigative measures conform to the requirements of Article 57 and will adequately protect wildlife resources at the project; therefore, the plan should be approved.

It is ordered that:

(A) The Wildlife mitigative measures contained in: (1) the agreement between the Licensee and WDG, dated July 19, 1982, and filed on December 9, 1982; and (2) the agreement between the Licensee and the Tribes, entitled "Wildlife Habitat Mitigation for Forebay Elevation Increase," dated April 2, 1984, and filed on April 9, 1984, are approved.

(B) The approval of the wildlife mitigative measures is subject to leave of the Ninth Circuit Court of Appeals regarding the settlement agreement filed on January 22, 1985, jointly by the National Wildlife Federation, the Confederated Tribes of the Colville Indian Reservation, and the Public Utility District No. 1 of Douglas County, Washington. An order approving the settlement agreement was issued by the Commission on March 18, 1985 (30 FERC 61,285).

(C) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 385.1902 of the Commission's regulations, 18 CFR 385.1902 (1983).

Quentin A. Edson
Director, Office of
Hydropower Licensing

DC-A-1

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

20 FERC ¶62,367

-2-

Public Utility District No. 1 of)
Douglas County) Project No. 2149-006

ORDER AMENDING LICENSE (MAJOR)

(Issued September 23, 1982)

On April 26, 1981, the Public Utility District No. 1 of Douglas County, Washington (PUD), Licensee for the Wells Project No. 2149, filed an application under the Federal Power Act, 16 U.S.C. §791(a) - 825(r), for amendment of a major license. The license would be amended to raise the elevation of the reservoir from 779 to 781 feet msl. The Wells Project is located on the Columbia River in Douglas and Okanogan Counties, Washington, between the upstream Chief Joseph Project (Federal ownership) and the downstream Rocky Reach Project, FERC No. 2145. 1/

PROJECT DESCRIPTION

The constructed Wells Project consists of: (1) a 145-foot-high concrete and earthfill dam; (2) a reservoir with a surface area of 9,700 acres and storage capacity of 230,000 acre-feet; (3) a powerhouse integrated with the dam with an installed capacity of 774.25 MW; (4) two 230-kV transmission lines each 43 miles in length; (5) two fishways located within the powerhouse structure; and (6) a fish hatchery and spawning channel immediately downstream from the right abutment of the dam. The project operates primarily in a run-of-the-river mode, with a limited capacity to store water and to provide peaking power. 2/

1/ Authority to act on this matter is delegated to the Director, Office of Electric Power Regulation, under §375.308 of the Commission's regulations, 18 C.F.R. §375.308 (1981), FERC Statutes and Regulations ¶30,238. This order may be appealed to the Commission by any party within 30 days of its issuance pursuant to Rule 1902, 18 C.F.R. 385.1902, FERC Statutes and Regulations ¶29,052, 47 Fed. Reg. 19014 (1982). Filing an appeal and final Commission action on that appeal are prerequisites for filing an application for rehearing as provided in Section 313(a) of the Act. Filing an appeal does not operate as a stay of the effective date of this order or of any other date specified in this order, except as specifically directed by the Commission.

2/ See also 28 FPC 130(1962).

The Licensee proposes to raise the existing normal surface elevation of the project reservoir behind Wells Dam, from elevation 779 to 781 feet msl. The additional 2 feet will increase the average annual energy generation by 45.5 million kWh.

PUBLIC NOTICE AND AGENCY COMMENTS

Public notice of the application was given on July 23, 1981, with September 8, 1981, as the last date for filing comments, protests, or petitions to intervene. The National Wildlife Federation, the National Marine Fisheries Service, the Oregon Department of Fish and Wildlife, the Confederated Tribes of the Colville Indian Reservation, and the Washington Departments of Ecology, Game, and Fisheries have been granted intervention. Gordon and Flora Shrabie and other land owners have protested the application, stating that the raise in reservoir elevation would affect their lands. Federal, State, and local agencies were also requested to submit comments on the application. The significant concerns of the intervenors, protestants, and commenting agencies are discussed below.

SAFETY AND ADEQUACY

Staff has evaluated the safety and adequacy of the Wells Dam Hydrocombine. The proposed increase in operating level may not require structural modifications to the existing Wells Dam Hydrocombine, however, the earth embankment has not been analyzed with the proposed reservoir surcharge. Therefore, a design report on the stability of the embankment is being required to be submitted for approval by Article 53.

In addition, certain Exhibit L drawings submitted by the Applicant need to be corrected and resubmitted for approval. Article 53 also requires the PUD to submit within 90 days revised Exhibit L drawings for approval.

To verify the assumptions used in calculating the stability of the hydrocombine certain field tests and measurements will be necessary. Article 54 requires the PUD to formulate a plan, to be submitted for Commission review and approval, for obtaining uplift pressure readings in the foundation and at the rock-concrete interface of the dam. This article requires PUD to establish the current distribution of the uplift, both longitudinally and transverse to the axis of the dam, and to implement a monitoring program to detect any future changes in either the magnitude or distribution of the pressure. Furthermore, we are including special Article 55 to require periodic inspection and maintenance of the drainage systems.

Based upon staff's analysis, it is concluded that the project structures, under the conditions of this license, are safe and adequate.

ECONOMIC FEASIBILITY

The increase head and storage allow the existing generating units to generate an estimated additional 126,056 MWh annually and would increase the dependable capacity by about 4 MW. However, the tailwater elevation at the upstream Corps of Engineers' Chief Joseph Plant would increase by 1.5 feet causing a loss of capacity of about 4 MW and an estimated loss of 80,504 MWh of energy annually. Therefore, the net annual energy output provided by raising Wells Reservoir would be 45,552 MWh. The study shows that the levelized annual cost associated with the net energy production would be approximately 9 mills per kWh, which would be substantially less than for energy produced by alternate energy sources. Based on staff's analysis, it is concluded that the proposed raising of the Wells Reservoir is economically feasible.

COMPREHENSIVE DEVELOPMENT

The proposed operation of Wells Reservoir would improve the water resource utilization of the existing Wells Hydroelectric Project for power generation, and for meeting present and future power needs of the Pacific Northwest. Since the proposed change in reservoir elevation would affect the operating head of the upstream Chief Joseph Project, compensation should be provided. Therefore, Article 52 requires the PUD to enter into an agreement with the Corps of Engineers to compensate the United States for encroachment at the Chief Joseph Dam.

It is concluded that the project modification would not be in conflict with any planned development on the Columbia River and would be best adapted to the comprehensive development of the Columbia River Basin upon compliance with the terms and conditions of the license articles.

RECREATION

Existing recreational uses of project lands and waters include hunting, fishing, trapping, boating, swimming, picnicking, and sight-seeing. There also exists a major steelhead trout fishery in the reservoir near the mouth of the Methow River. The Licensee maintains two boat launching areas on the reservoir, and the towns of Pateros, Brewster, and Bridgeport have waterfront parks adjoining the reservoir. The State-managed Wells Wildlife Recreation Area is also located on the reservoir shoreline.

The Washington Department of Game (WDG) stated that recreational opportunities, primarily hunting, would be lost as a result of the flooding of both wetland and upland wildlife habitat. The U.S. Department of the Interior (Interior) commented that an increased reservoir level could accelerate erosion in shoreline parks in Pateros, damage the Brewster swimming pool, and create hazardous boating conditions in some areas of the reservoir. The PUD believes that decreased hunting opportunities would be only temporary until mitigative measures are completed and the new shoreline riparian areas are established. Erosion protection measures have already been completed at Memorial Park in Pateros, and the PUD has undertaken additional study of the Brewster Pool to determine impacts of the proposed elevation change. The PUD further indicated that the higher reservoir level would improve boating in areas that are presently too shallow, and that navigation buoys or other devices would be installed in hazardous boating areas when directed by the Commission.

Staff believes that recreational resources would be affected by: flooding of hunting areas, erosion of park areas, possible damage to the Brewster swimming pool, and creation of hazardous boating conditions. However, the loss of hunting areas would be temporary, and the higher reservoir elevation would improve boating conditions in some areas. The important steelhead fishery at the mouth of the Methow River would not be negatively impacted.

It is concluded that the only unresolved recreational issues are the effect of the increased reservoir elevation on the Brewster swimming pool, and possible erosion of other low-lying park areas. Therefore, Article 50 requires the Licensee to investigate the effects of the reservoir elevation change on lands and facilities around the reservoir, and to implement appropriate mitigative measures. Article 51 requires the Licensee to complete a study of the recreational needs at the

project; to file a report on the results of the study; and to file, for approval, a Report on Recreational Resources at the project.

CULTURAL AND ARCHEOLOGICAL RESOURCES

Cultural resource investigations in the Lake Pateros/Wells Reservoir area have revealed an extensive utilization of the area by prehistoric peoples. In 1981, the PUD authorized a re-evaluation study of 72 sites. The study showed that many of the identified sites either were outside of the zone of potential impact of the proposed increase in reservoir elevation, or had been destroyed or substantially modified by water and erosion, pothunting, vandalism, and agricultural and recreational uses.

In response to these findings, and in cooperation with the Washington State Historic Preservation Officer (SHPO), the PUD conducted a site testing and evaluation program. The program tested 17 sites, and was designed to determine the condition and National Register qualities of those sites that would be affected by the proposed change in reservoir elevation. The testing program showed that 13 sites meet the criteria for inclusion in the National Register as an archeological district, and the SHPO concurred in this determination. The Keeper of the National Register of Historic Places has determined that the Lake Pateros Archeological District is eligible for inclusion in the National Register.

The Confederated Tribes of the Colville Indian Reservation (Colville Tribe) have stated that the proposed license amendment would affect many cultural resource sites located on the Colville Indian Reservation, and that the Colville Tribe is interested in assuring that the sites or the data contained in the sites are appropriately preserved. Further, the Colville Tribe stated that the PUD has not consulted with them concerning mitigative measures for cultural resources.

The SHPO commented that, without an adequate program of data recovery, the change in reservoir elevation would adversely affect the resources of the Lake Pateros Archeological District. In response to the SHPO's comments, the PUD formulated a data recovery (mitigation) plan in accordance with the guidelines of the Advisory Council on Historic Preservation. As proposed by the PUD, data recovery would take place in conformance with a specific research design, would include the use of test pits, backhoe trenches, and the excavation of block units, and would result in the publication of a comprehensive report on the findings and conclusions of the archeological analysis. After reviewing the proposed data recovery program, the SHPO concluded that implementation of the program would

ensure that there was no adverse impact on the cultural environment.

The Staff's review of the PUD's proposal indicates that the data recovery program meets the criteria set forth in the Advisory Council's guidelines, and that it would adequately mitigate for the loss of archeological resources at the project. If the mitigation measures contained in the data recovery program are carried out, it is concluded that there would not be an adverse effect on the significant archeological sites within the district. On August 31, 1982, the Advisory Council concurred with the staff's finding of no adverse effect. In order to protect the significant prehistoric resources existing at the project, Article 49 requires the Licensee to provide for a data recovery program as approved by the SHPO and the Advisory Council on Historic Preservation.

LAND USE AND SOCIO-ECONOMICS

The Colville Tribe and several landowners protested that their properties, which are outside of the project boundary, would be adversely affected by the reservoir elevation change. Negative effects could include increased erosion, higher water tables and resultant loss of crops or fruit trees, and contamination of wells by backed up septic fields. The PUD responded that it is unaware of any potential problems outside of the project boundary. Staff believes that there are indications that negative impacts could occur outside of the project boundary. Article 50 requires the Licensee to investigate such effects on lands outside of project boundaries, and to implement appropriate mitigative measures.

ENDANGERED SPECIES

The WDG commented that the Wells Project area has the second largest wintering concentration of bald eagles in eastern Washington. About 50 eagles winter in the area, and depend on waterfowl, especially coots, as the major food source. WDG indicated that the distribution and possibly the abundance of waterfowl could change as the result of an increase in reservoir elevation, and recommended that the PUD provide

artificial perch sites or tree plantings as mitigation. The PUD stated that perch sites have already been constructed, and additional trees would be planted to provide future sites. It is concluded that the PUD's proposed measures would adequately protect the eagle wintering area.

FISHERY RESOURCES

Several species of anadromous fish pass through the Wells Project fishways to upstream spawning areas, or are captured at the project and utilized as brood stock in the Wells salmon and steelhead hatchery at the base of the dam. Sockeye salmon pass the project in greatest numbers, followed by chinook salmon, steelhead trout, and coho salmon. Most upstream spawning occurs in the Methow and Okanogan Rivers; little or no spawning occurs in the mainstem Columbia River upstream of Wells Dam. Resident fish species that occur in the vicinity of the Wells Project include rainbow trout, mountain whitefish, carp, northern squawfish, suckers, bullhead, smallmouth bass, walleye, and sculpins.

The Washington Department of Fisheries (WDF), WDG, National Marine Fisheries Service (NMFS), Oregon Department of Fish and Wildlife (ODFW), and the Colville Tribe raised several issues regarding project impacts on the anadromous fishery, and the responsibilities of the PUD pursuant to the Pacific Northwest Electric Power Planning and Conservation Act (NW Power Act). These agencies commented that raising the reservoir elevation could flood out salmon and steelhead spawning areas in the lower Methow and Okanogan Rivers, would not improve the success of smolt passage through the project, and could impact flows passed by the project. NMFS and ODFW recommended that the PUD be required to install a turbine bypass system by December of 1984, provide the minimum flows specified by a previously negotiated Settlement Agreement between the fishery agencies and Mid-Columbia Public Utility District (Docket No. E-9569), provide additional fisheries compensation other than flow and passage facilities, and be required to consult with the fishery agencies and Indian Tribes on all fisheries matters.

The PUD replied that spawning areas would not be flooded in any tributary streams, that fish passage would not be affected, and that project flow releases would remain unchanged and continue to be controlled by releases from upstream Federal projects. The PUD stated that recommendations for bypass systems and additional compensatory measures were premature, since the PUD is continuing to study smolt passage mortality and alternative means of downstream fish passage under the Settlement Agreement. The PUD further indicated that it

would abide by any requirements established by the NW Power Act or the FERC, and welcomes consultation with the fishery agencies and tribes.

Staff concludes that the 2-foot increase in reservoir elevation would have little effect on the existing fishery resources. The unresolved issues regarding downstream fish passage can best be addressed through the more comprehensive study program under the Settlement Agreement. It is also concluded that the increased reservoir elevation would have no significant impact on project flow releases.

Further, under Article 55, the Commission would retain authority to order alterations to project facilities and operations to take into account the regional fish and wildlife program developed pursuant to the NW Power Act.

WILDLIFE

The WDG, Environmental Protection Agency, and the Colville Tribe commented that raising the reservoir elevation by 2 feet would adversely affect waterfowl nesting and feeding areas, would inundate some terrestrial wildlife habitat, and thus would require appropriate mitigative measures by the PUD. The PUD has proposed several mitigative measures, and is negotiating an agreement with the WDG regarding the implementation of these measures. Staff believes that the measures proposed by the PUD and to be agreed upon with the WDG would adequately mitigate the impacts on wildlife from raising the reservoir elevation. Article 57 requires that a wildlife mitigation program be filed within 60 days of the issuance of this order.

ENVIRONMENTAL ASSESSMENT

A 2-foot increase in elevation of the Wells Reservoir would affect 138.6 acres of land around the shoreline. Most of this land is periodically inundated during high flow periods, but 23.7 acres would be newly inundated. Raising the reservoir elevation would inundate this land more often, and result in the loss of some riparian habitat and shallow wetland habitat used by waterfowl. Nineteen of the 39 identified goose nesting sites would be affected, although the PUD has proposed measures that would protect some sites or provide potential nesting areas elsewhere. Wintering bald eagles would not be affected, although the distribution of the eagle's main food source, waterfowl, may change slightly in the reservoir.

Recreational resources could be affected by: flooding of waterfowl and upland game bird hunting areas, erosion of existing park areas, possible damage to the Brewster swimming pool, and creation of areas of hazardous boating conditions. The loss of hunting areas would, however, be temporary, and the higher reservoir elevation would improve boating conditions in some areas. The important steelhead fishery at the mouth of the Methow River would not be negatively impacted.

Some cropland and fruit orchards would be negatively affected by inundation or a high water table, and some private residences could experience drainage problems or contamination of wells by septic systems. A total of 13 archeological sites would be partially inundated or eroded, although the PUD has proposed an adequate data recovery program.

On the basis of the record, and Staff's independent analysis, it is concluded that issuance of the amendment to the license for the Wells Project will not constitute a major Federal action significantly affecting the quality of the human environment.

It is ordered that:

The license for Project No. 2149 is amended, effective the first day of the month in which this order is issued, as follows:

(A) Effective the first day of the month in which this order is issued, the Licensee is authorized to raise the normal operating elevation of the Wells Reservoir from 779 to 781 feet msl without any structural modifications to the project.

(B) Subparagraph (b) of the project description in the Commission's July 12, 1962, Order Issuing License (Major), 28 FPC 128, is amended to read:

(b) All project works consisting principally of:

A dam about 4,105 feet long at approximately river mile 516 comprising impervious-core earth-fill embankments, connecting both abutments to a central concrete structure, designated a "hydro-combine", which will incorporate a fish ladder at either end adjacent to the embankments, eleven gated spillway openings alternating with ten generator structures, each such structure containing a vertical-shaft Kaplan turbine rated at 120,700 horsepower at 64.4-foot net head connected to a generator rated at 77,425 kva (0.95 pf) (total installed capacity of 774,250 kW for ten units), and a switchyard atop the hydro-combine; a reservoir extending about 30 miles upstream on the Columbia River, approximately 14 miles upstream from the mouth of the Okanogan River, and about 2 miles upstream from the mouth of the Methow River, at maximum normal pool elevation 781 feet; two 230-kV transmission lines connecting this project with Rocky Reach Project No. 2145; and appurtenant hydraulic, mechanical, and electrical facilities and miscellaneous project works; the location, nature, and character of which structures are more specifically

shown and described by the exhibits herein before cited and by certain other exhibits which formed part of the application for license and which are designated and describe as follows.

(C) The following exhibits conform to the Commission's rules and regulations and are approved and made a part of the license.

<u>Exhibit</u>	<u>FERC No.</u>	<u>Superceded FERC No.</u>	<u>Title</u>
K-1	2149-282	2149-126	Project Survey
through	through	through	
K-39	2149-319	2149-164	Project Survey
L-3, 1A	2149-320	2149-106	Hydrocombine General Layout
L-3, 2A	2149-321	2149-107	Hydrocombine Section Through the Unit
L-3, 3A	2149-322	2149-108	Hydrocombine Section Through the Spillway
L-3, 5A	2149-323	2149-109	Hydrocombine Section Through the Fish Facilities
L-3, 5B	2149-324	2149-110	Hydrocombine Section Through the Fish Facilities
L-3, 17A	2149-325	2149-122	West Embankments Plans and Sections
L-3, 17B	2149-326	2149-123	East Embankments Plans and Sections

(D) The following articles are added to the license.

Article 49. The Licensee shall continue to cooperate with the Washington State Historic Preservation Officer (SHPO) to carry out a data recovery program, as concurred in by the Advisory Council on Historic Preservation, for mitigating adverse impacts on the Lake Pateros Archeological District. The Licensee shall make available funds in a reasonable amount for the data recovery and reporting measures required. If any

previously undiscovered archeological sites are found during the increase in reservoir elevation and its associated activities at the project, those activities shall be halted, a qualified archeologist shall be consulted to determine the significance of the resources, and the Licensee shall consult with the SHPO to develop a mitigation plan for the protection of significant archeological resources. If the Licensee and the SHPO cannot agree on the amount of money to be expended on historical and archeological work at the project, the Commission reserves the right to require the Licensee to conduct, at its own expense, any such work found necessary.

Article 50. Licensee shall, in consultation with the U.S. Soil Conservation Service, investigate and identify all non-project lands and structures, including the Brewster swimming pool, that will be adversely impacted by an increase in the Wells Project Reservoir to elevation 781 feet msl, and within 6 months from the date of this order, file with the Commission a report on its findings, and for approval, specific recommendations, with an implementation schedule, for measures required to mitigate any adverse impacts.

Article 51. The Licensee shall, in consultation with the National Park Service of the U.S. Department of the Interior, the State of Washington Parks and Recreation Commission, and other interested Federal, State, and local agencies, conduct a study of the need, if any, for providing additional public recreational facilities at Project No. 2149, and within 6 months from the date of issuance of this order, file with the Commission the results of the study and for approval, a Report on Recreational Resources for the project that conforms to \$4.51(f)(5) of the Commission's regulations.

Article 52. The Licensee shall, prior to the raising of the water surface elevation of the project reservoir, enter into an agreement with the Chief of Engineers, Department of the Army, or his designated representative, to compensate the United States for encroachment at the Chief Joseph Dam resulting from the higher normal water surface elevation of the Wells Project. A copy of the signed agreement shall be filed with the Director, Office of Electric Power Regulation and the San Francisco Regional Engineer. In the event that the parties cannot reach agreement on the compensation to be provided for head encroachment at Chief Joseph Dam, the compensation to be provided by Licensee shall be determined by the Director, Office of Electric Power Regulation prior to raising the operating level of the Wells Reservoir.

Article 53. The Licensee shall submit, for approval, in accordance with the Commission's rules and regulations, revised Exhibit L drawings with supporting design reports showing the stability analysis for the hydrocombine and earth embankment structures within 90 days from the issuance date of this order.

Article 54. The Licensee shall submit for Commission approval a plan and schedule for determining the magnitude and distribution of uplift pressures in the foundation and at the rock concrete interface of the Wells Dam. This plan shall include the procedures and a description of the instrumentation to be used to determine the uplift pressure distribution, both parallel and perpendicular to the axis of the dam, and shall include a monitoring program to detect any changes in the magnitude or distribution of the pressure. The plan shall be submitted within 180 days from the issuance of this order.

Article 55. The Commission reserves the authority to order, upon its own motion or upon the recommendation of Federal or State fish and wildlife agencies or affected Indian Tribes, alterations of project structures and operations to take into account to the fullest extent practicable the regional fish and wildlife program developed pursuant to the Pacific Northwest Electric Power Planning and Conservation Act.

Article 56. The Licensee shall submit for approval, in accordance with the Commission's rules and regulations, revised Exhibit K drawings showing the increase in normal operating pool level of the Wells Reservoir.

Article 57. Within 60 days from the issuance of this order, after consultation with the U.S. Fish and Wildlife Service and the Washington Department of Game, Licensee shall file for Commission approval a wildlife improvement plan to mitigate the impacts on wildlife from raising the project reservoir.

Article 58. The Licensee shall institute a program to provide for the periodic inspection, maintenance and monitoring of the hydrocombine drainage system to ensure that all drains are operating efficiently and to determine that the uplift pressures are within design assumptions. An annual report summarizing and analyzing the results of the program shall be submitted to the San Francisco Regional Engineer and to the Director, Office of Electric Power Regulation. Any nonfunctioning drain shall be replaced to the satisfaction of and within the time specified by the Commission's authorized representative.

(E) The Licensee's failure to file a petition appealing this order to the Commission shall constitute acceptance of this

order. In acknowledgment of acceptance of this order and its terms and conditions, it shall be signed for the Licensee and returned to the Commission within 60 days from the date that this order was issued.

Lawrence R. Anderson

Lawrence R. Anderson
Director, Office of Electric
Power Regulation

Project No. 2149-006

IN TESTIMONY of its acknowledgment of acceptance of all of the terms and conditions of this Order, _____, on this ____ day _____, 1982, has caused its corporate name to be signed hereto by _____, its President, and its corporate seal to be affixed hereto and attested by _____, its _____ Secretary, pursuant to a resolution of its Board of Directors duly adopted of the ____ day of _____, 1982, a certified copy of the record of which is attached hereto.

By _____
President

Attest:

Secretary

A G R E E M E N T

THIS AGREEMENT is made and entered into this _____ day of July 19, 1982, by and between:

PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY,
WASHINGTON, hereinafter referred to as "the District",

and

THE STATE OF WASHINGTON, DEPARTMENT OF GAME,
hereinafter referred to as "the Department".

R e c i t a l s

1. The District is a municipal corporation organized under the laws of the State of Washington, and is authorized under Federal Power Commission License No. 2149 to construct and operate the Wells Hydroelectric Project on the Columbia River;

2. The Department, as an agency of the State of Washington, is charged with the responsibility of preserving wildlife on the Columbia River within the area affected by the Wells Hydroelectric Project;

3. Federal Power Commission License No. 2149, Article 41, provides as follows:

The Licensee shall construct, maintain and operate such protective devices and shall provide such measures and facilities for mitigating losses to fish and wildlife resources as may result from project construction, alteration, or operation and shall comply with such reasonable modifications of the project structures and operation in the interest of fish and wildlife resources, provided that such modifications shall be reasonably consistent with the primary purpose of the project, as may be

prescribed hereafter by the Commission upon its own motion or upon recommendation of the Secretary of the Interior or the Washington State Departments of Fisheries and Game after notice and opportunity for hearing and upon a finding that such modifications are necessary and desirable and consistent with the provisions of the Act: provided further, That subsequent to approval of the final design drawings prior to commencement of construction no modifications of project structures in the interest of fish and wildlife resources which involve a change in the location, height or main structure of a dam, or the addition of or changes in outlets at or through a dam, or a major change in generating units, or a rearrangement or relocation of a powerhouse, or major changes in a spillway structure shall be required.

4. The District has applied to the Federal Power Regulatory Commission for an amendment to it's License No. 2149 for the Wells Hydroelectric Project to raise the maximum operating elevation of it's reservoir to 781 at the dam. The change applies only from Wells Dam to approximately Pateros.. This elevation remains unchanged throughout the rest of the reservoir.

5. Through a previous agreement with the District, the Department made a study to determine the impact on wildlife and migratory fowl that would occur due to this two foot raise in forebay elevation.

6. The District and the Department agree that there are adverse impacts on waterfowl and wildlife and have agreed on the measures necessary to mitigate these adverse impacts.

NOW, THEREFORE, In consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

The following mitigation measures recommended by the Department will be implemented by the District to lessee, the adverse impacts to wildlife and migratory fowl from the

raise in forebay elevation. It is agreed that if the measures which are described in this agreement are provided, that they will provide sufficient mitigation to the adverse impacts of the raise in forebay elevation.

WILDLIFE MITIGATION

(1) Goose Nesting Islands

The islands used by geese for nesting (Pateros, Kirk and Bridgeport Bar Islands) will be protected from erosion. Attachment A gives the detailed plans for the protection of the islands. The small Bridgeport Bar and Kirk Islands will be raised and protected with pit run cobble riprap. The three large upstream Bridgeport Bar Islands will be bermed along the shoreline perimeter. Pateros Island will be protected with cobble riprap. Riparian habitat damaged during the protection operation will be replaced with wildlife habitat plantings.

(2) Pheasant Wintering Habitat

The cattail marsh along the east shore of Washburn Island pond will be preserved. The downstream pump installation will be modified to maintain the pond at the present elevation. The pond elevation will be increased in yearly increments over four years to allow the vegetation to move upslope. The pond elevation and marsh will be monitored to prevent the loss of vegetation during this process. The pond will be drawn down if marsh vegetation begins to die.

(3) Waterfowl Feeding Area

A waterfowl feeding area will be established at RM 517 to replace the grass strip. This strip will be ten feet wide and 4,000 feet long or a comparable area. The sage brush along the shoreline will be cleared and the area seeded. The pasture will be planted with a mixture of clover (*trifolium* spp), grasses and legumes. Irrigation will be used if necessary to establish these areas.

(4) Raptor Perch Poles

Raptor perch structures will be constructed in the areas specified by the Department. The District may consider perches presently installed in the specified areas

as part of the requirement since they are utilized by raptors.

(5) Riparian Vegetation

Riparian vegetation along the shoreline will not be cleared. The present vegetation will be allowed to re-establish upslope where possible. The estimated three and nine-tenths (3 9/10) acres of lost shoreline riparian vegetation (McGee 1979) will be replaced with three and nine-tenths (3 9/10) acres of wildlife habitat plantings.

Wildlife habitat plantings will take the form of riparian tree and shrub species. Modification of the shoreline will be done in areas where it is necessary to establish the habitat plantings. Attachment B lists the kind and number of shrubs which will be used and location of the wildlife plantings.

(6) Loss of Shorelands

The loss of shoreland due to the raise in forebay elevation will be mitigated by improving habitat on Project lands. Inundated shorelands will be replaced by providing ten (10) acres of wildlife habitat plantings. Attachment E gives the locations of the plantings and shrub species which will be used.

(7) All construction will be completed by the District or at the District's expense by a private contractor. All reasonable cost of the mitigation program will be covered by the District.

It is the intent of the parties that the island protection work will be sufficiently completed so that the reservoir may be raised in the fall of 1982. The habitat replacement will be performed after this time. This will require that the amendment to the license be received from the Federal Energy Regulatory Commission prior to June 1, 1982. The reservoir work would be done during the month of July, which would allow the pool to be raised in September.

Should the amendment be received later than June 1, but prior to October 1, it is the intent of the parties to raise the pool by October 1, 1982, and the work described in this agreement to be completed during 1983. Should the amendment be received later than October 1, 1982, and prior

to September 1, 1983, the work will be performed in 1983 and the pool will be raised on September 1, 1983.

DATED this _____ day of _____, 198__.

APPROVED AS
TO FORM

PUBLIC UTILITY DISTRICT NO. 1 OF
DOUGLAS COUNTY, WASHINGTON

GARFIELD R. JEFFERS
Attorney for the
District

By _____
Michael Doneen, President

By _____
William E. Bechtol,
Vice President

ATTEST: _____
Howard Prey, Secretary

APPROVED AS
TO FORM

STATE OF WASHINGTON, DEPARTMENT OF GAME

Attorney General

By _____

By _____

ATTACHMENT B

WILDLIFE HABITAT PLANTINGS

The loss of riparian and other shoreline habitat will be replaced by planting 13.9 acres of wildlife habitat plantings. These plantings will take the form of riparian tree and shrub species and ground cover. Interim losses of riparian habitat will be replaced with 3.9 acres of habitat planted in the upper reaches of the Wells Reservoir (RM 525) where the major stands of vegetation are present. Losses of shoreline habitat will be replaced by 10 acres of wildlife plantings below RM 525. The largest portion of shoreline habitat will be lost in this area.

The replacement of wildlife habitat will be planted in clumps rather than border strips or large plots of vegetation. This method will increase the edge between plantings and possibly allow the plantings to spread naturally. All wildlife plantings will be along the reservoir shoreline.

Irrigation will be provided for a minimum of two years to establish the plantings. Additional irrigation will be utilized if necessary to insure survival of the plantings. The plantings will be irrigated once a week, the minimum rate of water application will be 10 gpm/acre/8 hours. A drip or standard impact sprinkler irrigation system will be used to irrigate the plantings depending upon water supply and power source.

Tree and shrub species which will be used in the wildlife plantings will include black cottonwood, black locust, Russian olive, water birch, multiflora rose, red-osier dogwood and elderberry. Douglas hawthorn, matrimony vine and native willows will be used if a source for nursery stock can be located. The wildlife plantings will have a density of 1,400 plants per acre. The following table gives the number of plants/acre by species.

PLANTS PER ACRE BY SPECIES *

<u>SPECIES</u>	<u>PLANTS/ACRE</u>
Black Cottonwood	30
Black Locust	50
Russian Olive	75
Douglas Hawthorn	75 (1)
Water Birch	30
Multiflora Rose	520
Elderberry	100
Red-Osier Dogwood	520
Matrimony Vine	Unknown
Native Willows	Unknown (2)
	<hr/>
	1,400

- (1) If Douglas Hawthorn is unavailable, an adoptable medium size shrub will be substituted.
- (2) Native willow species will also be utilized for shoreline planting where conditions will allow it to be established.
- * Plant species and numbers of each species per acre may be changed depending upon availability of nursery stock.

Soil samples will be taken at each planting site to determine soil deficiencies. The recommended levels of fertilizer will be applied to ensure proper growth of the plant stock.

Proposed planting Sites:

- A. Shoreland habitat replacement (10 acres)
1. RM 518 - Douglas County shoreline. 5 acres of habitat will be planted. The soil in this area is very rocky and will need extensive site preparation to remove steppe vegetation.
 2. RM 520 - Okanogan County shoreline. 4.5 acres of habitat will be planted.

The soil in this area has some cobbles. Site preparation will require mechanical soil preparation.

3. RM 528.1 - Okanogan County shoreline. .5 acres of habitat. Site may have adequate sub-irrigation. Mechanical site preparation will be necessary.

E. Riparian habitat replacement (3.9 acres)

1. RM 533 - Confluence Columbia & Okanogan Rivers, north shore. .5 acres of habitat. Site may have sufficient sub-irrigation.
2. RM 540 - Douglas County shoreline. 1 acre of habitat plantings. Area will need some site preparation.
3. RM 526.8 - Douglas County shoreline. 1 acre of habitat plantings.
4. RM 537.5 - Douglas County shoreline. 1.4 acres of habitat plantings (reclaimed borrow site for goose nesting island protection).

UNITED STATES OF AMERICA
FEDERAL POWER COMMISSION



Before Commissioners: John N. Nassikas, Chairman;
William L. Springer, and Don S. Smith.

Public Utility District No. 1)
of Douglas County, Washington) Project No. 2149

ORDER
APPROVING SETTLEMENT WITH MODIFICATION

(Issued May 12, 1975)

In 1962 this Commission issued a license to Public Utility District No. 1 of Douglas County, Washington, for the construction and operation of the Wells Project, No. 2149, a hydroelectric project on the Columbia River in the State of Washington (28 FPC 128, 492). In the years that followed, the Licensee and the Washington State Department of Game disputed the extent of fish and wildlife losses occasioned by the project, and the responsibilities of the Licensee under the license with respect to mitigative programs. In 1971 the Department of Game petitioned us for a hearing on these issues. Thereafter, matters pertaining to the mitigation of game fish losses were the subject of a settlement agreement between the Department of Game and the Licensee, and such settlement was approved by the Commission in July 1972. Matters pertaining to wildlife losses and their mitigation, however, remained in dispute and were the subject of hearings held in August 1972. Following the 1972 hearings, a Draft Environmental Impact Statement, and later a Final Environmental Impact Statement, were prepared, and initial and reply briefs were filed in November 1972 and July and August 1973.

Notwithstanding the foregoing developments, the Licensee and the Department of Game have not ceased to attempt to settle their dispute (now limited to wildlife issues), and on July 19, 1974, they filed with us a Settlement Agreement, dated July 15, 1974, which each contends satisfactorily resolves their differences. The Settlement Agreement provides

among other things, for the payment by the Licensee to the Department of Game of the sum of \$1,250,000, such sum to be used for "wildlife resources including the development, management, acquisition of lands and propagation of wildlife . . . within the close proximity to the Wells Reservoir . . ." (Agreement, Sec. II), and for the transfer of title by the Licensee to the Department of Game of numerous tracts of land. The Staff, having received answers to interrogatories that it put to these parties concerning the settlement, advised the Presiding Administrative Law Judge by letter filed December 12, 1974, that it too was satisfied with the agreement -- provided the interrogatories and answers were made part of the record, and provided also that an annual reporting requirement were added to the basic license. No objection has been expressed to the first of these requirements, nor has any question been raised as to the adequacy of record support for the agreement.

It is the proposed annual reporting requirement that constitutes the only point that now remains in contention. In a "Certification of Settlement Agreement", dated January 6, 1975, and filed January 8, the Administrative Law Judge certified to us the settlement agreement and the record of the proceeding and in his certification he endorsed the recommendation of the Staff. The Staff had urged, and continues to urge, that the license issued to the Public Utility District in 1962 be amended by adding the following new article:

Article 48. The Licensee in cooperation with the Washington State Department of Game shall file with the Commission commencing June 1, 1975, an annual progress report of its wildlife mitigation program as outlined in the settlement agreement between Game and Licensee dated July 15, 1974. The annual report shall include: the number of pheasants released for hunter harvest, progress in restoration or development of wildlife habitat on the designated management areas, and the results of wildlife surveys or census in the areas being managed for wildlife under the settlement agreement. Upon the mutual consent of Licensee and the Department of Game, the surveys may be dispensed with for a given year. However, the surveys may not be eliminated for two or more consecutive years without prior written approval from the Commission.

In supporting the desirability of this new Article, the Administrative Law Judge stated in his certification:

In view of the obvious merits of having the parties make known to the public the fruits of their labor and the clear need for continued Agency supervision of the resolution of the issues in dispute -- particularly in view of the past relationship between the parties to the Agreement which were at times less than harmonious - - Staff's proposed amendment to the License makes sense.

Neither the Licensee nor the Department of Game, however, accepts this rationale. In comments on the certification, filed on February 3, 1975, by the Licensee, and on February 5, 1975, by the Department of Game, */ each indicates that it does not object to an annual reporting requirement containing precisely the subject matter of the Staff's proposed Article 48 (see Exhibits Nos. 1 and 4 to the Licensee's Comments), but each argues that such a requirement should be made part of the settlement agreement and not part of the license for Project No. 2149. The Staff, in its comments filed March 17, 1975, continues to argue that an amendment to the license itself is necessary.

*/ The Licensee filed on February 3 a "Brief . . . Taking Exception to 'Initial Decision' . . . dated January 6, 1975", and the Department of Game filed on February 5 "Exceptions to Administrative Law Judge's Certification of Settlement Agreement (Order of January 6, 1975)". Regardless of these captions, we construe the filings as constituting comments on a certification. The document dated January 6 and filed January 8, 1975, by the Administrative Law Judge is clearly a certification by every test, in terms of its form, content, and title, and not an Initial Decision.

We reach two conclusions, in light of the foregoing filings. First, we find unpersuasive the arguments presented by all three parties -- the Licensee, the Department of Game, and the Staff -- in support of whichever vehicle they prefer. And secondly, we do not believe that a reporting requirement, set forth in a settlement agreement that we approve, would be either more or less effective than one contained in the basic license. No party offers any representations to the contrary.

As to the first point, the Licensee objects to an amendment to the license because it sees no reason to amend the existing license and because such an amendment would give rise to "the possibility of many complications" -- all undefined (Exhibit No. 3 to the Licensee's Comments). The Licensee also objects because it doubts our authority to add a new provision to the license now, in the absence of the Licensee's consent, "and Licensee definitely does not consent or agree to such proposed amendment" (Comments, p. 5). The first point begs the question; the second is not well taken, given our authority to effect amendments to licenses under Section 6 of the Federal Power Act and Article 41 of the license in question.

The Department of Game, on the other hand, states that it recognizes the validity of a reporting requirement, but says that the costs would approximate \$25,000 annually and the diversion of funds in this amount "would have a serious adverse impact on the mitigation program itself" (Comments, p.2). But this objection would apply to the reporting requirement whether it be contained in the license or the settlement agreement, and the Department of Game does not object to the latter. The Department of Game further says that we should explicitly require the Licensee to assume the reporting costs, but we are unwilling now to modify language on which the parties have more than once commented (in letters in December, as well as in their later comments to which such letters were attached), when no recommendations or questions as to financial responsibility have earlier been offered. Additionally, the Licensee and the Department of Game have represented themselves as in agreement as to the acceptability of a reporting requirement, contained in the settlement agreement, with the Department of Game reporting to the Licensee, and with the Licensee in

turn reporting to us (see Exhibits Nos. 1 and 3 to Licensee's comments filed February 3, 1975). This arrangement is acceptable to us. We would, regardless of who prepares the report, look to our Licensee in any event for compliance with the provision, and the Staff's amendatory language has that effect.

Finally, as to its preference for an amendment to the license, the Staff states:

. . . it has taken approximately 12 years of negotiations, as well as a hearing, environmental impact statement, and briefs to the presiding judge to arrive at the proposed settlement agreement. Licensee and Game have had strong disagreements over mitigation throughout this entire period and Staff feels that it is not unreasonable to anticipate further problems. See, for example, Game's comments on funding of the study program. Staff Counsel believes the public interest requires some mechanism to insure that the Commission is kept fully informed of the implementation of the agreement throughout the remaining years of the license. We believe that our proposed Article 48 /of the license/ can be that mechanism . . .
(Staff comments, p. 5)

We agree. But we also believe we can be kept "fully informed" through the amendment to the settlement agreement, to which the key parties have expressed no objection. We need not and do not anticipate a failure to comply with such a requirement, but should this development occur, it is clear to us that the Federal Power Act provides us with ample authority to take corrective action.

Our second conclusion stated above parallels the first: nowhere do we find any party offering any indication that an amendment to the settlement agreement would be more or less effective than an amendment to the license. We think none exists.

Accordingly, we accept the settlement agreement, subject to its amendment to include the reporting requirement set forth in full herein. The reports, which should reflect the

use of established wildlife census techniques, will be useful as a means of evaluating the success of the program contemplated by the settlement agreement. We have examined the record in this proceeding and are satisfied that the agreement that we now approve is fully supported therein.

The Commission finds:

The settlement agreement dated July 15, 1974, and filed on July 19, 1974, between Public Utility District No. 1 of Douglas County, Washington, and the State of Washington Department of Game, which agreement implements Article 41 of the license granted to such Public Utility District for Project No. 2149, should be approved by the Commission, subject to the amendment hereinafter set forth.

The Commission orders:

The settlement agreement, filed in this proceeding on July 19, 1975, is approved, subject to the addition of the following language:

The Licensee in cooperation with the Washington State Department of Game shall file with the Commission commencing June 1, 1975, an annual progress report of its wildlife mitigation program as outlined in the settlement agreement between Game and Licensee dated July 15, 1974. The annual report shall include: the number of pheasants released for hunter harvest, progress in restoration or development of wildlife habitat on the designated management areas, and the results of wildlife surveys or census in the areas being managed for wildlife under the settlement agreement. Upon the mutual consent of Licensee and the Department of Game, the surveys may be dispensed with for a given year. However, the surveys may not be eliminated for two or more consecutive years without prior written approval from the Commission.

I the Commission.

(S E A L)

Kenneth F. Plumb,
Secretary.

4/1/76
In database
"dead file" since
does not directly
involve WDW
"MITAGUED. DBF"

Final

1 AGREEMENT BETWEEN PUBLIC UTILITY
2 DISTRICT NO. 1 OF DOUGLAS COUNTY
3 AND THE CONFEDERATED TRIBES OF
4 THE COLVILLE RESERVATION FOR
5 FISH AND WILDLIFE MITIGATION

6 THIS AGREEMENT, made and entered into this 26th day of
7 January, 1970, by and between PUBLIC UTILITY DISTRICT
8 NO. 1 OF DOUGLAS COUNTY, WASHINGTON, a municipal corporation,
9 hereinafter referred to as the "District", and THE CONFEDERATED
10 TRIBES OF THE COLVILLE RESERVATION, by and through the Tribal
11 Business Council, hereinafter referred to as the "Tribe",
12 WITNESSETH:

13 That for and in consideration of the mutual covenants
14 one to the other the parties hereto agree as follows:

15 (1) The District was granted License No. 2149 from the
16 Federal Power Commission of the United States of America to con-
17 struct the Wells Hydroelectric Project on the Columbia River, and
18 by reason of which a portion of the lands within the Colville
19 Indian Reservation have been inundated and the title to properties
20 lying below the Wells Project Boundary within said reservation
21 has been acquired by the District. There has been a loss to the
22 Tribe by reason of said inundation and/or taking of fish and
23 wildlife and by reason of which the parties have negotiated an
24 amicable settlement.

25 (2) The District submitted its offer of mitigation for
26 fish and wildlife to the Tribe, which offer of mitigation is
27 attached hereto, marked Exhibit "A", and by reference made a part
28 hereof. Said offer was accepted by the Tribe on the 5th day of
29 December, 1969, by its Resolution No. 1969-461 entitled, "A
30 Resolution Authorizing Acceptance of the Proposal of Public
31 Utility District No. 1 of Douglas County, Washington, for Fish

1 and Wildlife Mitigation."

2 (3) Under the terms of said offer and in accordance
3 therewith, the District agrees to pay to the Tribe for fishery
4 mitigation the sum of \$213,000.00, payable at the rate of
5 \$21,300.00, the first payment to be within twenty (20) days
6 following the execution of this agreement and a like amount on
7 July 1, 1970, and each year thereafter until the total amount of
8 \$213,000.00 has been paid. Funds in addition to \$21,300.00 may
9 be made available in any one year with the mutual approval of
10 both parties, provided the total payable for fishery mitigation
11 under this agreement does not exceed \$213,000.00.

12 (4) Under the terms of said offer and in accordance
13 therewith, the District agrees to pay to the Tribe for wildlife
14 mitigation the sum of \$168,000.00, payable at the rate of
15 \$16,800.00, the first payment to be within twenty (20) days fol-
16 lowing the execution of this agreement and a like amount on
17 July 1, 1970, and each year thereafter until the total amount of
18 \$168,000.00 has been paid. Funds in addition to \$16,800.00 may
19 be made available in any one year with the mutual approval of
20 both parties, provided the total payable for wildlife mitigation
21 under this agreement does not exceed \$168,000.00.

22 (5) This agreement constitutes full compensation by
23 the District to the Tribe for any and all damage to wildlife and/
24 or fishery upon the Colville Indian Reservation and the Columbia
25 and Okanogan Rivers adjacent thereto as a result of the develop-
26 ment of the Wells Hydroelectric Project.

27 DATED the day and year in this agreement above written.

28 PUBLIC UTILITY DISTRICT NO. 1
29 OF DOUGLAS COUNTY, WASHINGTON

30 By Michael Doneen
31 Michael Doneen, President

HUGHES, JEFFERS & JEFFERS
ATTORNEYS AT LAW
Professional Centre, P. O. Box 1628
Telephone (509) 662-2146
Wenatchee, Washington 98801

1 By Lloyd McLean
2 Lloyd McLean, Vice President

3 ATTEST:

4 Howard Prey
5 Howard Prey, Secretary

6 CONFEDERATED TRIBES OF THE COLVILLE
7 RESERVATION

8 By Narcisse Nicholson, Jr.
9 Narcisse Nicholson, Jr., Chairman
10 Colville Business Council

11 ATTEST:

12 George Snider
13 George Snider, Alternate Secretary
14 Colville Business Council

EXHIBIT "A"

COLVILLE CONFEDERATED TRIBES AND P.U.D. NO. 1 OF DOUGLAS COUNTY FISHERY AND WILDLIFE MITIGATION

Mitigation of Colville Tribal Sockeye Snag Fishery

Introduction

In June 1969 a report was given to P.U.D. No. 1 of Douglas County by the business council of the Colville Confederated Tribes in which fish and wildlife damages totaling \$606,163.51 were attributed to the Wells Hydroelectric Project. Of this total \$226,692.85 represented loss of a sockeye salmon fishery at the mouth of the Okanogan River and \$379,470.66 represented estimated wildlife damages.

Basis of Fishery Claim

Prior to the filling of Wells Reservoir in the summer of 1967 there existed at the confluence of the Okanogan and Columbia Rivers during the months of July and August an Indian fishery for sockeye salmon. The annual catch at this area was estimated to range from a low of 175 fish in 1963 to 5000 fish in 1947, 1948 and 1951.^{1/}

After the Wells Reservoir was filled the fishing area at the mouth of the Okanogan River was inundated preventing further use of the area for sockeye salmon fishing. Not only was the former fishing area inundated but the change from lotic to semi-static conditions at the former confluence of the Okanogan and Columbia Rivers resulted in a lack of sockeye salmon schooling in that area.

Background Information

In the summer of 1967 Indian fishing activity below Chief Joseph Dam was noted by Washington State Department of Fisheries personnel. A request for study funds to investigate the magnitude of this new fishery was received from the Department of Fisheries by P.U.D. NO. 1 of Douglas County. Funding was subsequently arranged for surveillance of the fishery during 1968 and 1969. The results of the 1968 investigation were included in a letter from the Department of Fisheries dated 3-25-69 in which a sockeye catch of 2500 fish and a chinook catch of 100 fish were estimated from sampling data collected during July and August 1968.

Douglas County P.U.D. in compliance with Article 41 of the Federal Power Commission License No. 2149 has built and is operating or funding the operation of various fish passage and fish production facilities. These facilities were built and are operated to minimize the effect of the Wells Hydroelectric Project on the fishery resources of the Columbia River and tributaries in the Wells Project area. Fish ladders provide passage at the dam for anadromous fish species spawning upstream from Wells Dam. Notable among the several species spawning above Wells Dam are the sockeye salmon which ascend the Okanogan River to spawn above the United States and Canada border.

^{1/} The Effect of the Wells Project on the Indian Fishery at the Mouth of the Okanogan River. George Eicher, 1965, mimeographed report to P.U.D. No. 1 of Douglas County.

Page Two

Mitigation of Colville Tribal Sockeye Snag Fishery

Fish production facilities are operated to augment natural production of summer chinook salmon and steelhead trout since part of the natural spawning area of these two species was inundated by the Wells Reservoir. In addition rainbow trout are reared to catchable size for release into the tributary streams above Wells Dam as replacement for a whitefish sport fishery in the area inundated by the Wells Reservoir.

Proposal for Fishery Mitigation

It is recognized that the fishery claim of the Colville Confederated Tribes represents the loss of a fishing area and not loss of fish production. As stated previously fish passage facilities at Wells Dam allow sockeye salmon as well as chinook, coho and steelhead to pass the dam and continue upstream to their spawning areas. It is also recognized that at present partial replacement, of the loss of the fish formerly caught at the mouth of the Okanogan, is being realized by the new fishery developing at the base of Chief Joseph Dam. While this fishery is dependent on the approval of the Corps of Engineers for its existence, it is possible that at some time in the future approval could be withdrawn and the fishery would no longer exist.

With these considerations in mind the District hereby submits the following proposal to the tribal council of the Colville Confederated Tribes for the mitigation of fishery losses associated with the construction of the Wells Hydroelectric Project.

Fishery Mitigation Proposal-Colville Confederated Tribes

1. P.U.D. No. 1 of Douglas County will make available to the Fish and Game Fund of the Colville Confederated Tribes, the annual sum of \$21,300.00 beginning July 1, 1969 and ending June 30, 1979.
2. Said funds will be used for the development of fishing areas and/or fishing improvement projects within the boundaries of the Colville Reservation.
3. Prior to July 1 of each year the District and the Tribal Council of the Colville Confederated Tribes or their appointed representatives will meet to review the previous years program and to discuss the planned projects and expenditures for the coming year.
4. Prior to the yearly meeting a list of planned expenditures for development or improvement projects will be submitted to the District for review.
5. The District's Biologist will be available to assist the Fish and Game Committee of the Colville Confederated Tribes in planning and evaluating development and improvement projects.

Page Three

Mitigation of Colville Tribal Sockeye Snag Fishery

6. Funds in addition to \$21,300.00 may be made available in any one year with the mutual approval of both parties, providing the total payable during the 10 year period of this agreement will not exceed \$213,000.00.
7. The implementation of the provisions of this agreement constitutes full compensation by the District to the Colville Confederated Tribes for their fishery losses relating to the construction of the Wells Hydroelectric Project.

Mitigation of Colville Tribal Wildlife Claim

Basis of Wildlife Claim

Article 43 of Federal Power Commission License No. 2149 provided payment to the various conservation agencies for studies of the effect of the Wells Hydroelectric Project on fish and wildlife. Included in these investigations were pre and post impoundment studies of wildlife in the project area. A report, Wildlife Studies in the Wells Hydroelectric Project Area, prepared by the Department of Game and covering the pre-impoundment phase of the wildlife studies was received by Douglas County P.U.D. in January 1967. Included in this report was a claim for damages to wildlife resources which would be affected by the Wells Project. As stated in this report the claimed damages represented only losses on non-Indian lands, however, data was given which would allow computation of Indian losses in the same manner. The information given in this report provided the basis for the claim of the Colville Confederated Tribes for \$379,470.66 in wildlife damages.

Background Information

From receipt of the Game Department's report titled, Wildlife Studies in the Wells Hydroelectric Project Area, the District has felt that conclusions concerning the effects of the Wells Project on wildlife were premature. Data collected during the pre-flooding investigations would have to be compared with data collected during post-flooding investigations to provide a realistic picture of the effects of the project on wildlife. This belief is supported by wildlife experts contacted at institutions of higher learning in both Washington and Oregon. Meetings between personnel of the Department of Game and Douglas County P.U.D. on game mitigation have reached an impasse regarding the need for comparison of pre and post flooding studies to determine actual effects of the Wells Project on wildlife.

In an attempt to resolve the problem of game mitigation to the satisfaction of the Department and the District and to meet the District's obligation toward the wildlife resources affected by the project an independent consultant was given the task of commenting on the pre-flooding report submitted by the Game Department, pointing out weaknesses in the report as well as strong points and developing a plan of wildlife mitigation which could be presented to the Game Department.

Page Four

Mitigation of Colville Tribal Wildlife Claim

The consultants report was received by the District in July 1969 and subsequently a mitigative proposal was forwarded to the Department of Game by the District. The major provisions of this proposal are as follows:

1. The Department and District would cooperate in an action program to improve game habitat and game populations in the Wells Project area. This would include re-establishment of wildlife cover and food patch plantings and installation of artificial aids to production of waterfowl.
2. Consideration should be given to the release of wild birds in areas slow in recovering from the 1968-69 winter kill.
3. Access to project lands will be assured for fishing and hunting purposes.
4. Surplus project lands showing promise for extensive development for wildlife will be made available for that purpose.
5. Post-flooding investigations will be continued in cooperation with the District as a means for determining fair and final mitigation.

Proposal for Wildlife Mitigation on Colville Reservation

It is recognized that inundation of certain reservation lands by the Wells Reservoir has resulted in changes that could affect wildlife species in the Wells Project area. In the case of waterfowl these changes could be considered advantageous. In the case of certain terrestrial forms such as upland birds the removal of shoreline cover strips would undoubtedly be detrimental especially during the time it takes for new growth to become established. In the case of deer it is debatable whether or not these changes would seriously affect the deer populations in that area.

The District feels that the claim for game losses presented by the Colville Confederated Tribes greatly exceeds the actual effects of the project on wildlife on tribal lands. Recognizing that the changes that have taken place on the tribal lands influenced by the reservoir are in some cases detrimental to wildlife populations the District proposes the following means of mitigating the effects of the Wells Project on wildlife.

Wildlife Mitigation Proposal-Colville Confederated Tribes

1. P.U.D. No. 1 of Douglas County will make available to the Fish and Game Fund of the Colville Confederated Tribes the annual sum of \$16,800.00 beginning July 1, 1969 and ending June 30, 1979.
2. Said funds will be used for the development of wildlife habitat and hunting improvement projects within the boundaries of the Colville Reservation.

Page Five

Mitigation of Colville Tribal Wildlife Claim

3. Prior to July 1 each year the District and the Tribal Council of the Colville Confederated Tribes or their appointed representatives will meet to review the previous year's program and discuss the planned projects and expenditures for the coming year.
4. Prior to the yearly meeting a list of planned expenditures for development and improvement projects will be submitted to the District for review.
5. The District's Biologist will be available to assist the Fish and Game Committee of the Colville Confederated Tribes in planning and evaluating development and improvement projects.
6. Funds in addition to \$16,800.00 may be made available in any one year with the mutual approval of both parties, providing the total payable during the 10 year period of this agreement will not exceed \$168,000.00.
7. The implementation of the provisions of this agreement constitutes full compensation by the District to the Colville Confederated Tribes for the effects of the Wells Hydroelectric Project on wildlife resources on the Colville Reservation.

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AGREEMENT

THIS AGREEMENT is made and entered into by and between

PUBLIC UTILITY DISTRICT NO. 1 of DOUGLAS COUNTY, hereinafter referred to as "the District",

and

STATE OF WASHINGTON, DEPARTMENT OF GAME, hereinafter referred to as "the Department."

RECITALS

1. The District is licensee for Project 2149 issued by the Federal Power Commission for the construction, operation and maintenance of the Wells Hydroelectric Project.
2. Article 43 of the Federal Power Commission License for Project 2149 specifies: "The Licensee shall upon written request of the Commission make available to the Secretary of the Interior and the Washington State Departments of Fisheries and Game funds not to exceed a total of \$139,500 for the purpose of making investigations to determine the measures required for preventing and mitigating losses to fish and wildlife which may result from project construction or alteration and for making post flooding investigations to determine the effects of actual project construction on fish and wildlife. The Licensee shall make available such additional funds as may be agreed upon by the Licensee, the Secretary of the Interior and the Washington Departments of Fisheries and Game, in the event the project is delayed by amendment of the license extending the date of completion. In the event the Licensee and the agencies herein named fail to reach agreement on the amount of funds, if any, to be made available by the Licensee in addition to the \$139,500 herein provided, the Commission may, after notice and opportunity for hearing, determine the amount, if any, the Licensee shall pay to reimburse the agencies named herein on account of delay of the completion of the project; Provided, however, that the Licensee shall not be responsible for any costs of any studies conducted after completion following the date of completion of the project when:
3. A Master Agreement on Wells Hydroelectric Project, F.P.C. No. 2149, relating to monies allocated to the Department of Fisheries, Department of Game, Bureau of Sport Fisheries and Wildlife and the Bureau of Commercial Fisheries for fish and wildlife studies has been approved by the agencies listed above and by the District.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. The District agrees to provide up to \$36,900.00 to the Department for fish and wildlife studies as outlined in exhibit I, attached hereto and by reference incorporated herein.
2. Salaries involved in the costs shall include actual wages in addition to the cost of insurance, retirement payments, workmen's compensation payments, medical aid and federal tax payments, and any incidental costs necessary to the successful completion of the studies.

Page 2
Agreement
P.U.D.NO.1 & DEPT.of GAME
June 18, 1963

3. The Department agrees that the money allocated under this agreement shall be applied in accordance with the conditions agreed upon in the Master Agreement and for the purposes shown in Exhibit I. All costs arising under this agreement which are chargeable to the District shall be paid by the District upon submission of vouchers to the District accompanied by itemized statements of costs incurred by the Department.
4. This agreement shall be effective as of 1 January 1963. All expenditures made by this Department in excess of those allocated under a previous agreement effective 20 November 1961 shall be deducted from the monies allocated under this agreement.

Attest:

THE STATE OF WASHINGTON
DEPARTMENT OF GAME

by _____
Title:

by *J. A. Rupp*
Title:

Attest:

PUBLIC UTILITY DISTRICT
NO. 1 of DOUGLAS COUNTY

by *James H. ...*
Title: Secretary

by *David M. Lean*
Title: President

by *Howard Puy*
Vice President

EXHIBIT I

Fish and Wildlife Studies to be made by the Department of Game under agreement with Public Utility District No. 1 of Douglas County on the Wells Hydroelectric Project, F. P. C. No. 2149.

A. Fisheries Investigations

1. Steelhead preflooding investigations \$5,500.00

This study will attempt to determine distribution of steelhead spawners in the stream area affected by the reservoir, extent of the steelhead sport fishery in this area and means for mitigating the potential losses.

2. Steelhead postflooding investigations \$5,500.00

This study will attempt to determine information on steelhead spawning distribution after the project is constructed, the extent of the sport fishery for steelhead and the success of any mitigation facilities constructed for maintaining the runs.

3. Resident game fish preflooding studies \$7,500.00

This study will evaluate the present sport fishery for resident game fish in the area affected by the project, and attempt to determine relative abundance of these species. Means for mitigating potential losses to the sport fishery will be investigated.

B. Wildlife

1. Wildlife population preflooding evaluation \$10,000.00

This study will attempt to determine wildlife populations within the impoundment area, hunter use of these populations and an evaluation of present habitat. Means for mitigating potential losses will be investigated.

2. Wildlife population postflooding evaluation \$5,000.00

This study will evaluate the project effect on wildlife populations that actually occurred as a basis for adjustment of management plans and determine success of any mitigation measures provided for loss of habitat.

C. Engineering

\$5,000.00

This money is needed for evaluating plans for fish passage facilities, consulting on fish passage facilities, model demonstrations and attending meetings relative to game fish problems related to the project.

1 RESOLUTION NO. 3357

2 A RESOLUTION AUTHORIZING THE EXECUTION OF AN
3 AGREEMENT BETWEEN THE DISTRICT AND THE STATE
4 OF WASHINGTON DEPARTMENT OF GAME FOR WILDLIFE
5 MITIGATION

6 RECITALS:

7 (1) The construction of the Wells Hydroelectric Proj
8 by the District has affected wildlife resources within the Proj
9 area on the Columbia River and its tributaries. The District
10 and the State of Washington Department of Game have negotiated
11 over an extended period of time in an effort to reach an agree-
12 ment as to the District's obligation to Game as required by the Dis-
13 trict's Federal Power Commission License No. 2149.

14 (2) The District desires to enter into an agreement
15 with the State of Washington Department of Game in order to def
16 the responsibilities and obligations of the District and Game fo
17 the period of the Federal Power Commission License in regard to
18 mitigating losses to wildlife resources. An agreement has been
19 prepared which sets forth a negotiated settlement and defines th
20 responsibilities of the District and Game. Said agreement has
21 been signed by Carl N. Crouse, the Director of the State of
22 Washington Department of Game, and approved by an Assistant
23 Attorney General. District personnel and its attorneys strongly
24 believe that it is in the best interests of the District that it
25 execute said agreement, a copy of which is attached to this
26 resolution.

27 NOW, THEREFORE, BE IT RESOLVED that the Commission of
28 the District is hereby authorized to execute an agreement dated
29 July 15, 1974, between the District and the State of Washington
30 Department of Game, a copy of which is attached to this resolu-
31 tion. Said agreement provides for the mitigation of wildlife

1 resources affected by the Wells Hydroelectric Project and defines
2 the responsibilities of the Department of Game and the District
3 in relation to mitigation programs and procedures.

4 BE IT FURTHER RESOLVED that the District is empowered
5 and directed to pay to the State of Washington Department of
6 Game the amounts of money set forth in said agreement and to
7 transfer title to the properties set forth in the agreement, as
8 well as effect all other provisions in said agreement.

9 UNANIMOUSLY ADOPTED this 15th day of July, 1974.

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12 ATTEST:

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14 (not present)
Howard Prey, Secretary

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Lloyd McLean, President


Michael Doneen, Vice President
and Assistant Secretary

1 AGREEMENT BETWEEN PUBLIC UTILITY DISTRICT NO. 1
2 OF DOUGLAS COUNTY, WASHINGTON, AND THE STATE OF
3 WASHINGTON DEPARTMENT OF GAME FOR
4 WILDLIFE MITIGATION

5 THIS AGREEMENT, made and entered into this 15th day
6 of July, 1974, by and between PUBLIC UTILITY DISTRICT NO. 1 OF
7 DOUGLAS COUNTY, WASHINGTON, hereinafter referred to as the
8 "District", and THE STATE OF WASHINGTON, DEPARTMENT OF GAME,
9 hereinafter referred to as "Game", WITNESSETH:

10 I

11 The District is a municipal corporation organized
12 under the laws of the State of Washington, and is authorized
13 under Federal Power Commission License No. 2149 to construct
14 and operate the Wells Hydroelectric Project on the Columbia
15 River.

16 II

17 Game, as an agency of the State of Washington, is
18 charged with the responsibility of preserving the sports
19 fishery and wildlife resources on the Columbia River and its
20 tributaries within the area affected by the Wells Hydroelectric
21 Project, and which includes seeking mitigation, insofar as
22 is practicable, for losses sustained.

23 III

24 Federal Power Commission License No. 2149, Article 41,
25 provides as follows:

26 The Licensee shall construct, maintain and
27 operate such protective devices and shall pro-
28 vide such measures and facilities for mitigating
29 losses to fish and wildlife resources as may
30 result from project construction, alteration,
31 or operation and shall comply with such reason-
able modifications of the project structures
and operation in the interest of fish and wild-
life resources, provided that such modifications
shall be reasonably consistent with the primary

1 purpose of the project, as may be prescribed
2 hereafter by the Commission upon its own motion
3 or upon recommendation of the Secretary of the
4 Interior or the Washington State Departments
5 of Fisheries and Game after notice and oppor-
6 tunity for hearing and upon a finding that such
7 modifications are necessary and desirable and
8 consistent with the provisions of the Act:
9 provided further, That subsequent to approval
10 of the final design drawings prior to commence-
11 ment of construction no modifications of project
12 structures in the interest of fish and wildlife
13 resources which involve a change in the location,
14 height or main structure of a dam, or the addi-
15 tion of or changes in outlets at or through a
16 dam, or a major change in generating units, or
17 a rearrangement or relocation of a powerhouse,
18 or major changes in a spillway structure shall
19 be required.

20 IV

21 The parties desire to enter into this Agreement in orde
22 to define the responsibilities and obligations of the parties
23 hereto one to the other for the period of the License and to
24 provide a means of meeting these responsibilities and obligations
25 required under Article 41 of the License set forth above pertain-
26 ing to the measures and facilities for mitigating losses to
27 wildlife resources by the methods and pursuant to the limitations
28 defined in this Agreement.

29 NOW, THEREFORE, in consideration of the mutual covenant:
30 and agreements herein contained, the parties agree as follows:

31 SECTION I

The parties hereto have negotiated over an extended
period of time in an effort to reach an agreement as to the Dis-
trict's obligation to Game as required by Federal Power Com-
mission License No. 2149 authorizing the Wells Hydroelectric
Project. In accordance with the terms of this Agreement, said
negotiations have resulted in a full, final and complete settle-
ment of all of the obligations of the District to Game, repre-
senting the State of Washington, pertaining to wildlife and

1 migratory bird resources. In the event of an extension of time,
2 renewal or relicensing of the District's Project No. 2149 from
3 the Federal Power Commission, the District shall not be required
4 to pay to Game any additional funds for capital expenditures,
5 but there shall be left open for negotiation at said time the
6 cost of operation and maintenance of the then existing lands and
7 facilities in connection with the Wells Hydroelectric Project.

8 SECTION II

9 Within ten (10) days following the approval of this
10 Agreement by the Federal Power Commission, the District shall
11 pay to Game the sum of One Million Two Hundred Fifty Thousand
12 Dollars (\$1,250,000.00) cash, which funds shall be used for
13 wildlife resources including the development, management, acquisi-
14 tion of lands and propagation of wildlife within the Counties of
15 Douglas and Okanogan within the close proximity of the Wells
16 Reservoir and the Columbia River and its tributaries in the
17 Counties of Douglas and Okanogan.

18 SECTION III

19 The District has acquired and will transfer title to
20 Game, subject to existing easements and reservations, the
21 following properties:

22 (A) William F. Shenyer property, also known as Central
23 Ferry Canyon, Wells Tract No. 1479.0, containing approximately
24 1,569 acres.

25 (B) Deane Schmidt property, also known as the Foster
26 Creek property, Wells Tract No. 1473.0, containing approximately
27 1,025 acres.

28 (C) Charles A. McCartney property, also known as
29 Indian Dan Canyon property, Wells Tract No. 1477.0, consisting
30 of approximately 2,865 acres, together with assignment of lease
31

1 rights from the State of Washington and United States of America
2 acquired by the District in connection with this acquisition,
3 consisting of approximately 1,400 acres.

4 (D) Harold B. Vaughn property, Wells Tracts 781.0 and
5 786.0, consisting of approximately 64.8 acres.

6 (E) That portion of the Louise Reeve property, Wells
7 Tract No. 783.0, which is now undeveloped and consisting of
8 approximately 14.0 acres. The balance of this tract, consisting
9 of approximately 8.0 acres now in orchard and upon which a
10 residence is located, shall be retained by the District subject
11 to Section IV, paragraph (C) herein.

12 (F) Bridgeport Bar properties already owned by the
13 District, containing approximately 105.0 acres, lying above the
14 Wells Project Boundary, known as Wells Tracts 708.0A, 765.0,
15 769.0, 773.0, 779.0, 777.0 and 774.0.

16 (G) The Asmussen property, Wells Tract No. 766.0,
17 consisting of approximately 22.0 acres above the Wells Project
18 Boundary.

19 (H) The Bonar property, Wells Tract No. 77.0, that
20 portion lying east of the county road.

21 (I) The Williams property, Wells Tract No. 78.0,
22 that portion lying east of the county road.

23 SECTION IV

24 (A) The District acquired and leased to Game the lands
25 known as the "Washburn Island" properties and herein referred
26 to as Wells Tracts 1126.0, 1128.0 and 1054.0. The District also
27 acquired approximately 297.0 acres of property on the Bridgeport
28 Bar and transferred it to the State of Washington Parks &
29 Recreation Commission and which is now known as Chief Joseph
30 State Park.
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1 Game is desirous of acquiring the State Park property
2 and to effect the same, the State Parks & Recreation Commission
3 would give up its rights to said property in exchange for an
4 exclusive easement to the Washburn Island properties for public
5 park purposes subject to the appropriate reservations of the
6 District as set forth in Section V of this Agreement. The
7 District believes said exchange would be for the best interests
8 of said parties. In an effort to consummate said exchange, the
9 District agrees to cooperate with Game in attempting to nego-
10 tiate said exchange and, at the suggestion of Game, will parti-
11 cipate in any meetings and negotiations when requested.

12 (B) The District is the owner of the C. W. Schulke
13 property, Wells Tract No. 749.0, and agrees to retain title to
14 said property for a period of not less than three (3) years
15 from the date the Federal Power Commission approves this Agree-
16 ment, with the understanding that if, during said period, it
17 becomes apparent that the only way in which the State Parks &
18 Recreation Commission would relinquish its rights in the Chief
19 Joseph State Park to Game is that said Schulke property would
20 be required to complete said exchange, the District would trans-
21 fer said Wells Tract No. 749.0 to either Game or the State of
22 Washington Parks & Recreation Commission.

23 In the event an agreement for the exchange of said
24 properties as hereinbefore set forth has not been entered into
25 between the District, Game and the State of Washington Parks &
26 Recreation Commission within said three (3) year period, the
27 District shall then grant to Game an exclusive easement to the
28 Washburn Island properties, Wells Tracts 1126.0, 1128.0 and
29 1054.0, subject to the same appropriate reservations of the
30 District as set forth in Section V of this Agreement, for the
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1 sole purpose of game management, and the Schulke property,
2 Wells Tract No. 749.0, is released from this Agreement.

3 (C) The District agrees to acquire public access
4 for hunting purposes within thirty-six (36) months from the
5 date of approval of this Agreement by the Federal Power Com-
6 mission on, over and across Wells Tract No. 782.0, with or
7 without the residence located thereon.

8 The District shall not be obligated to acquire said
9 rights to Wells Tract No. 782.0 if the acquisition costs of
10 said rights exceed the sum of Twenty-five Thousand Dollars
11 (\$25,000.00). In the event the District does not acquire
12 said rights as herein set forth, the District agrees to make
13 available to Game the sum of Twenty-five Thousand Dollars
14 (\$25,000.00) for Game's acquisition of whatever rights it may
15 acquire for public access on, over and across Wells Tract No.
16 782.0. To provide said funds or a part thereof, the District
17 may dispose of that portion of Wells Tract No. 783.0 consisting
18 of the house and present portion now in growing orchard and con-
19 sisting of approximately 8.0 acres. Said funds shall remain in
20 the possession of the District subject to use as set forth herein
21 for a period not to exceed ten (10) years. In the event said
22 funds have not been utilized as hereinabove set forth within ten
23 (10) years from the date this Agreement is approved by the Federa
24 Power Commission, said funds shall then automatically be paid to
25 Game, and the District's obligations herein pertaining to Wells
26 Tract No. 782.0 shall be concluded.

27 SECTION V

28 (A) The District agrees to grant to Game subject to
29 the reservations set forth herein, except as to any properties
30 within the Colville Indian Reservation lying adjacent to the
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1 Wells Reservoir, a continuous right during the period of the
2 Federal Power Commission License for the Wells Hydroelectric
3 Project to manage the fish and wildlife resources on property
4 lying between the Wells Project Boundary and the Wells Reservoir,
5 which includes the policing thereof in connection with fish and
6 wildlife and its management and the closing of portions thereof
7 to hunting and fishing by the public when Game determines proper
8 under the circumstances, except the District reserves unto itself
9 all rights of ownership except that of game management as set
10 forth herein.

11 (B) The District specifically excepts herefrom all
12 easements and grants it has made for property rights above or
13 below the Wells Project Boundary and reserves unto the District
14 the right to grant such easements at all times in the future as
15 limited herein. The District agrees to inform Game in writing of
16 all applications for easements on land abutting the Wells
17 Reservoir and shall not grant said easements for a period of
18 sixty (60) days from the date of said notice to Game. Game
19 shall, within said sixty (60) day period, have the right to
20 submit in writing any objections or recommendations it may have
21 to said easements, and the District shall give said objections
22 and/or recommendations every reasonable consideration to minimize
23 adverse impact upon wildlife resources and recreational uses
24 thereof prior to the issuance of such easements; except that the
25 District shall not grant such easements without the written
26 authorization from Game over Project lands lying below the Wells
27 Project Boundary and abutting the property conveyed or to be
28 conveyed to Game under this Agreement.

29 SECTION VI

30 All rights granted herein are subservient to the use
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1 of said property by the District in the impoundment of the waters
2 of the Columbia River in connection with the operation of the
3 Wells Hydroelectric Project and to raise and lower the same in
4 connection with the operation of said Project under Federal Power
5 Commission License No. 2149 and any amendments thereto and with-
6 out liability of any kind to Game and/or its heirs and assigns
7 by reason thereof. No buildings or structures of any kind will
8 be installed upon properties below Project Boundary without the
9 written permission of the District first having been obtained.
10 Game waives any claim for damage that may be sustained or that
11 it may sustain at any time in the future arising out of the
12 operation by the District of said Wells Reservoir.

13 This Agreement shall be binding upon the successors
14 and/or assigns of the parties hereto.

15 IN WITNESS WHEREOF, the parties hereto have executed
16 this Agreement this 15th day of July, 1974.

18
19
20 ATTEST:
21
22 (not present)
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Howard-Prey, Secretary

PUBLIC UTILITY DISTRICT NO. 1
OF DOUGLAS COUNTY, WASHINGTON

By Lloyd McLean
Lloyd McLean, President

By Michael Doneen
Michael Doneen, Vice President
and Assistant Secretary

THE STATE OF WASHINGTON
DEPARTMENT OF GAME

By Carl N. Crouse
Carl N. Crouse, Director

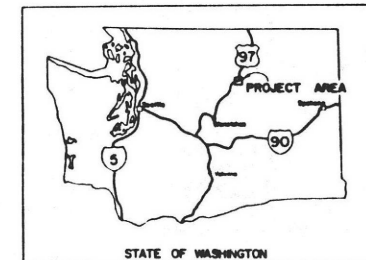
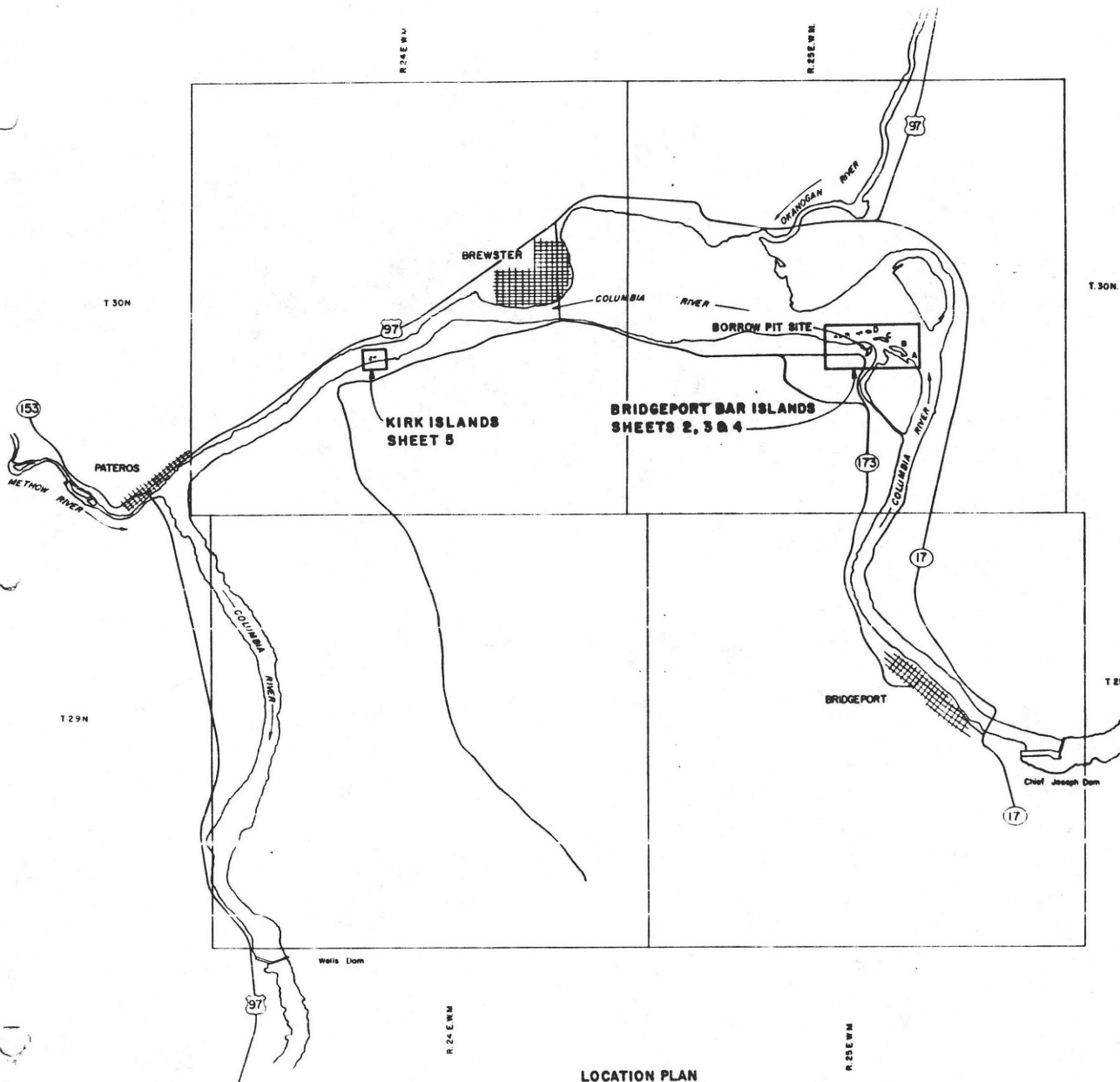
ATTEST:

1 APPROVED AS TO FORM:

2 *Richard G. Jeffers*
3 RICHARD G. JEFFERS
4 Attorney for the District

5 APPROVED AS TO FORM:

6 *J. M. Coniff, Jr.*
7 JOSEPH L. CONIFF, JR.
8 Assistant Attorney General
9 Representing Game
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LOCALITY MAP

INDEX

<u>SHEET NO.</u>	<u>TITLE</u>
1	LOCATION PLAN
2	BRIDGEPORT BAR ISLANDS
3	BRIDGEPORT BAR ISLANDS
4	BRIDGEPORT BAR ISLANDS
5	KIRK ISLANDS
6	TYPICAL SECTIONS
7	BORROW PIT SITE PLAN

REFERENCE

BASE MAPS FROM OCTOBER, 1991 FIELD SURVEY BY NORTON DENNIS AND ASSOCIATES, INC., FOR PUBLIC UTILITY DISTRICT NO. 1 OF DOUGLAS COUNTY, WASHINGTON.

SVERDRUP & PARCEL AND ASSOCIATES,
CONSULTING ENGINEERS

PUBLIC UTILITY DISTRICT NO. 1
DOUGLAS COUNTY, WASHINGTON

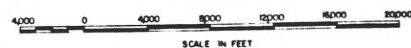
WELLS HYDROELECTRIC PROJECT

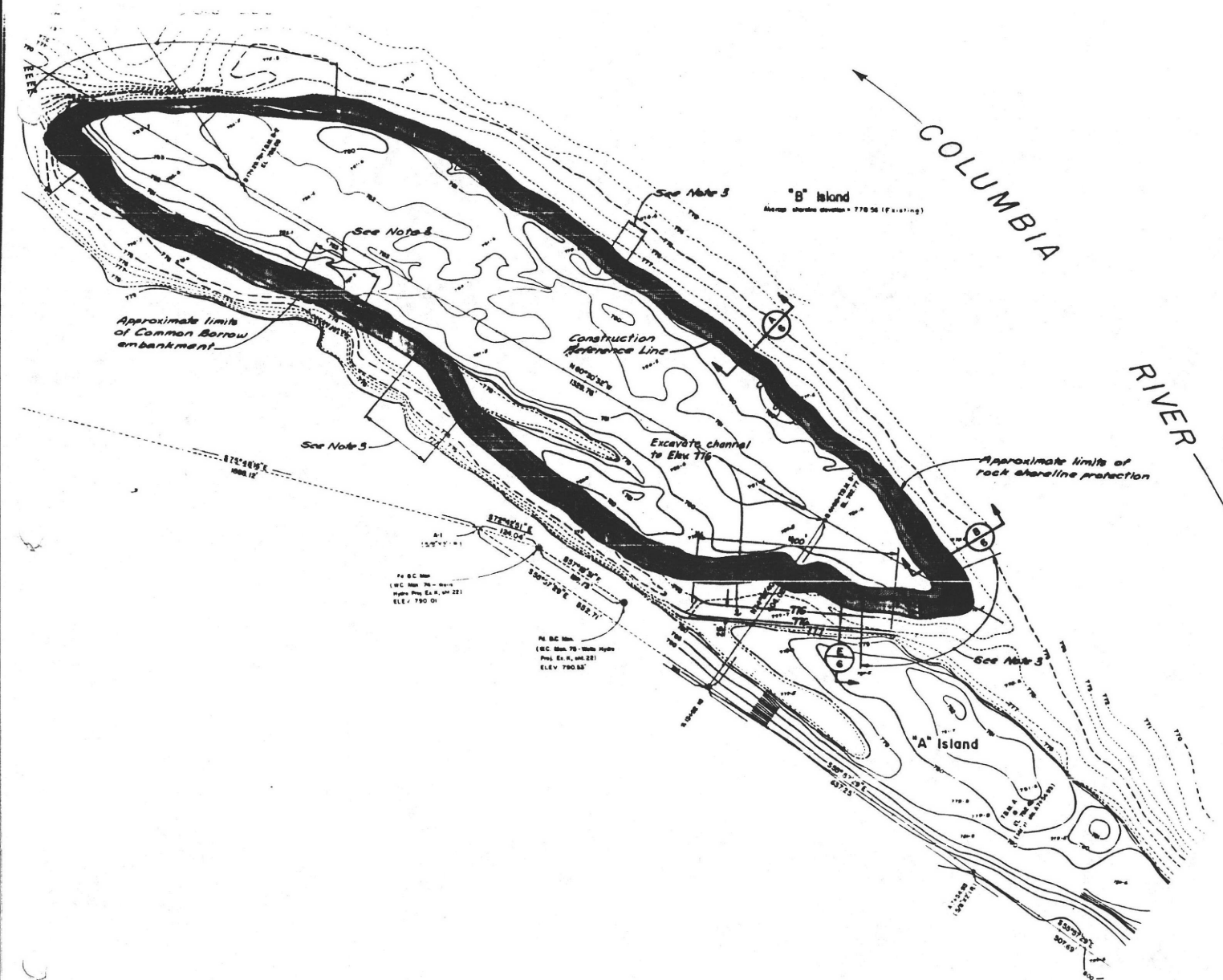
WELLS RESERVOIR ISLAND
LOCATION PLAN

DWN: TAA DATE: 5/25/62 SCALE: AS SHOWN
ORD: SPB DATE: 5/25/62
APPROVED DWS NO: WRI-5260



LOCATION PLAN





NOTES

1. Horizontal control based on Wells Hydroelectric Project Exhibit K. Elevations are U.S.C. & G.S. based on sea-level datum of 1929, P.N.W. Suppl. Adj. of 1947.
2. In most areas the construction reference line is the average shoreline. Areas where the construction reference line deviates from the average shoreline are noted.
3. Location of construction reference line varies from mapped average shoreline. Approximate location of construction reference line as shown to be determined by Contractor in field and approved by Engineer.
4. Length of Heavy Shoreline Protection shall be scaled from Construction Reference Line shown on the drawing. Limits for placement of Heavy Shoreline Protection must be approved by the Engineer.

LEGEND

NEW

- Common Borrow Embankment
- Light Shoreline Protection
- Heavy Shoreline Protection
- Construction Reference Line

EXISTING

- Average shoreline
- 5 Feet contours above water
- 5 Feet contours below water
- 1 Foot contours above water
- 1 Foot contours below water
- Set 1"x5" iron rod
- Set 2"x2" wooden hub
- Horizontal & vertical control baselines
- Horizontal control

0 50' 100' 200' 300'
SCALE: 1" = 100'
ONE FOOT CONTOUR INTERVAL

SVERDRUP & PARCEL AND ASSOCIATES, INC.
CONSULTING ENGINEERS

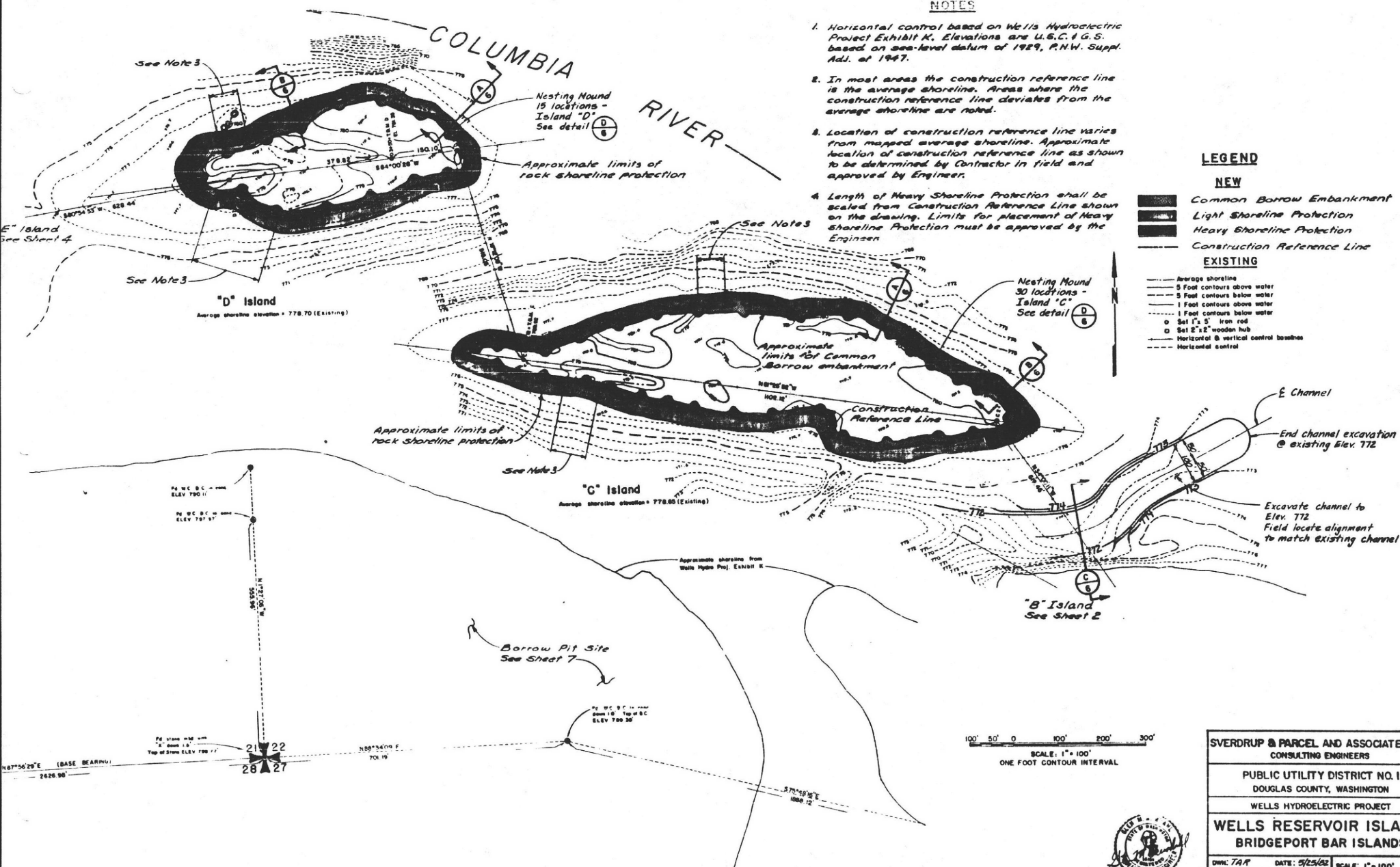
PUBLIC UTILITY DISTRICT NO. 1
DOUGLAS COUNTY, WASHINGTON

WELLS HYDROELECTRIC PROJECT

WELLS RESERVOIR ISLANDS
BRIDGEPORT BAR ISLANDS

DRAWN: TAR DATE: 5/25/82 SCALE: 1" = 100'
CHECKED: SPB DATE: 5/25/82

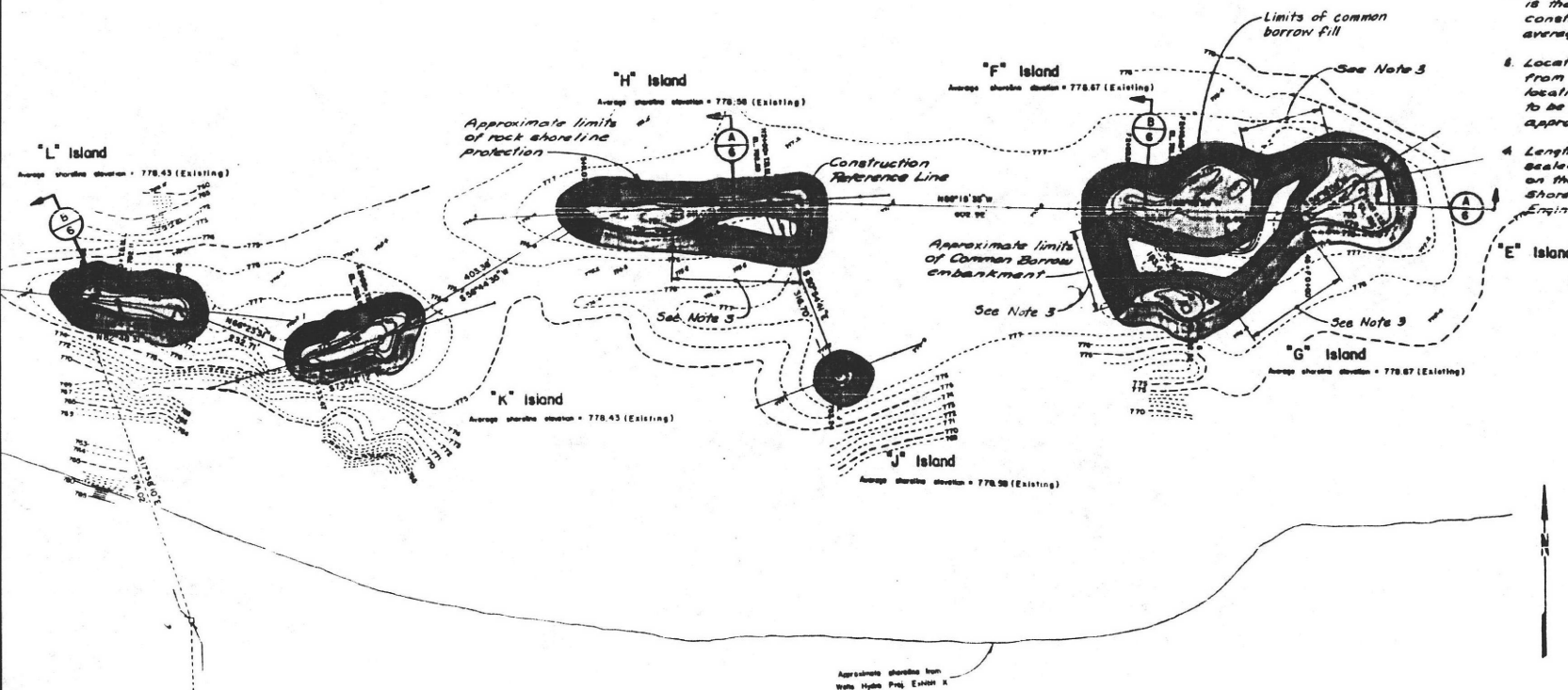




← COLUMBIA RIVER —

1991

1. Horizontal control based on We'lla Hydroelectric Project Exhibit K. Elevations are U.S.C. & G.S. based on sea-level datum of 1929, P.N.W. Suppl. Adj. of 1947.
2. In most areas the construction reference line is the average shoreline. Areas where the construction reference line deviates from the average shoreline are noted.
3. Location of construction reference line varies from mapped average shoreline. Approximate location of construction reference line as shown to be determined by Contractor in field and approved by Engineer.
4. Length of Heavy Shoreline Protection shall be indicated from Construction Reference Line shown on the drawing. Limits for placement of Heavy Shoreline Protection must be approved by the Engineer.

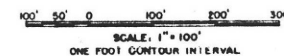


LEGEND
NEW

- Common Borrow Fill
Common Borrow Embankment
Light Shoreline Protection
Heavy Shoreline Protection
Construction Reference Line

EXISTING

- Average shoreline
 ----- 5 Foot contours above water
 ----- 4 Foot contours below water
 ----- 1 Foot contours above water
 ----- 1 Foot contours below water
 o Set 1's 5' iron rod
 o Set 2's 2" wooden hub
 ----- Horizontal & vertical control benchmarks
 ----- Horizontal control



SVERDRUP & PARCEL AND ASSOCIATES, INC.
CONSULTING ENGINEERS

PUBLIC UTILITY DISTRICT NO. 1
DOUGLAS COUNTY, WASHINGTON
WELLS HYDROELECTRIC PROJECT

WELLS RESERVOIR ISLANDS
BRIDGEPORT BAR ISLANDS

OWN: TAR	DATE: 5/25/82	SCALE: 1" = 100'
CHKD: SPB	DATE: 5/25/82	



RIVER

COLUMBIA

NOTES

1. Horizontal control based on Wells Hydroelectric Project Exhibit K. Elevations are U.S.C. & G.S. based on sea-level datum of 1929, P.M.W. Supp. Adj. of 1947.
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4. Length of Heavy Shoreline Protection shall be scaled from Construction Reference Line shown on the drawing. Limits for placement of Heavy Shoreline Protection must be approved by the Engineer.

LEGEND

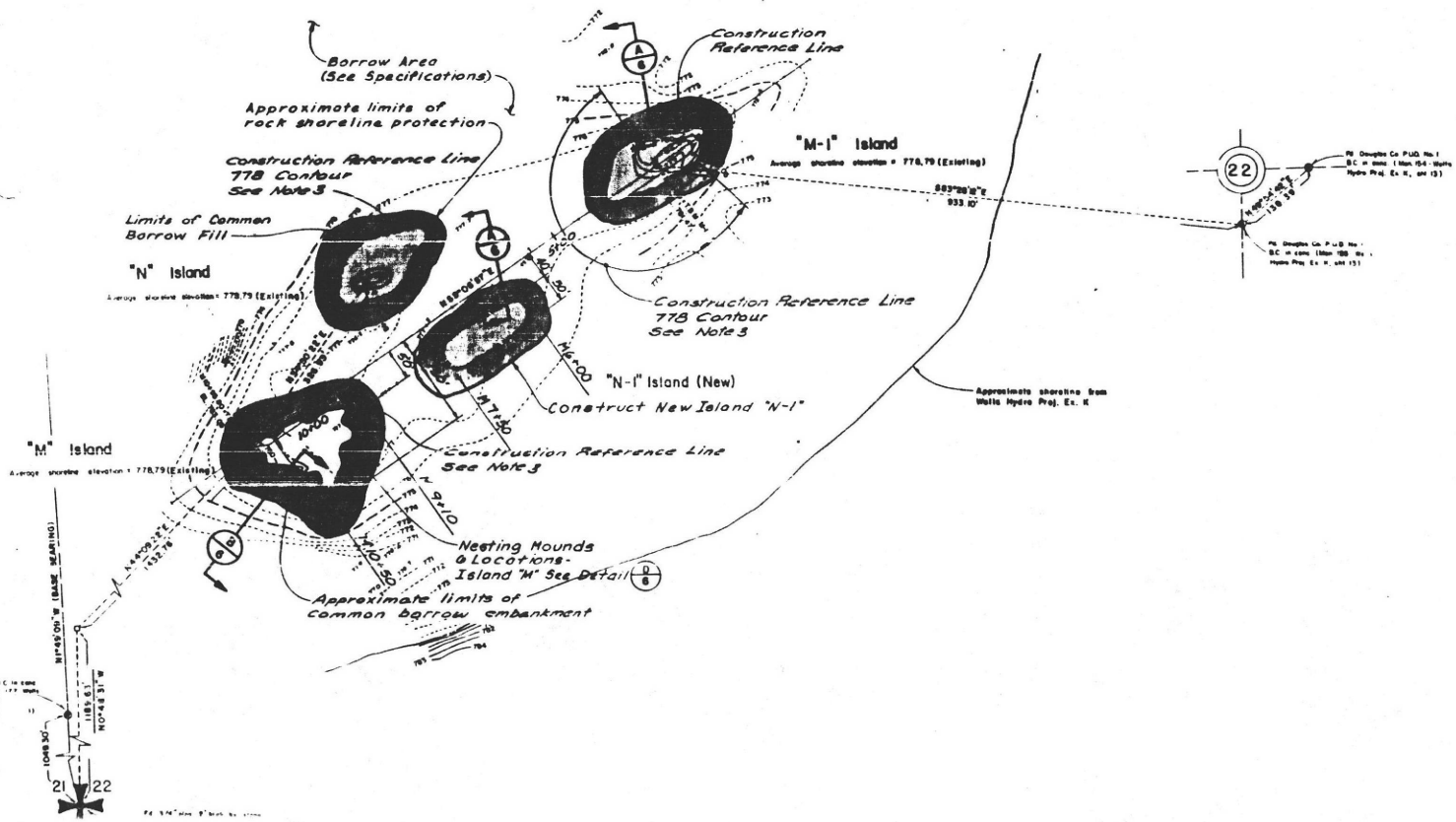
NEW

- Common Borrow Fill
- Common Borrow Embankment
- Light Shoreline Protection
- Heavy Shoreline Protection
- Construction Reference Line

EXISTING

- Average shoreline
- 5 Foot contours above water
- 5 Foot contours below water
- 1 Foot contours above water
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- Set 1" x 5" iron rod
- Set 2" x 8" wooden hub
- Horizontal & vertical control baselines
- Horizontal control

SCALE: 1" = 100'
ONE FOOT CONTOUR INTERVAL



SVERDRUP & PARCEL AND ASSOCIATES, INC.
CONSULTING ENGINEERS

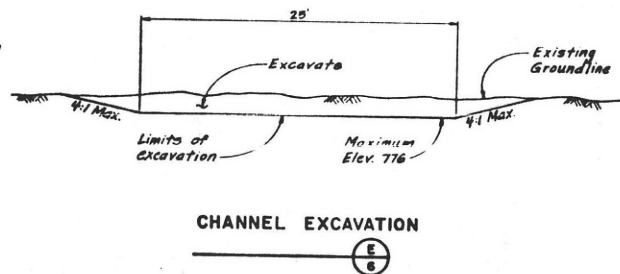
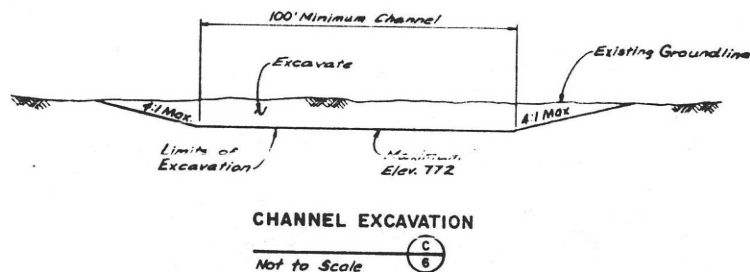
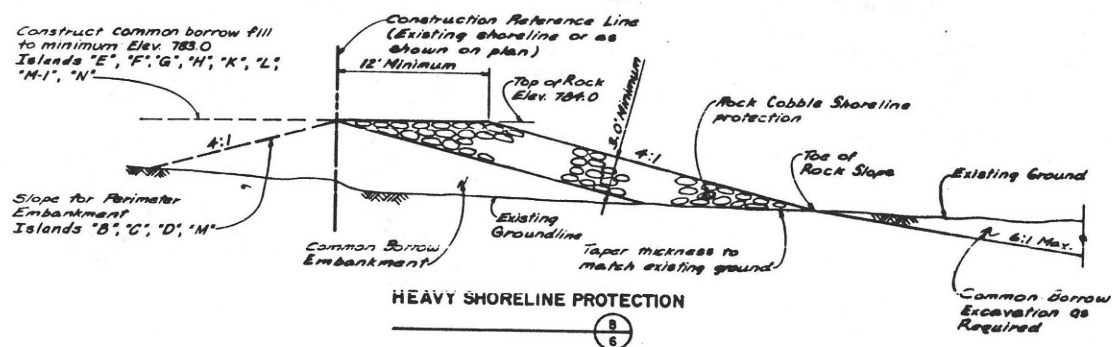
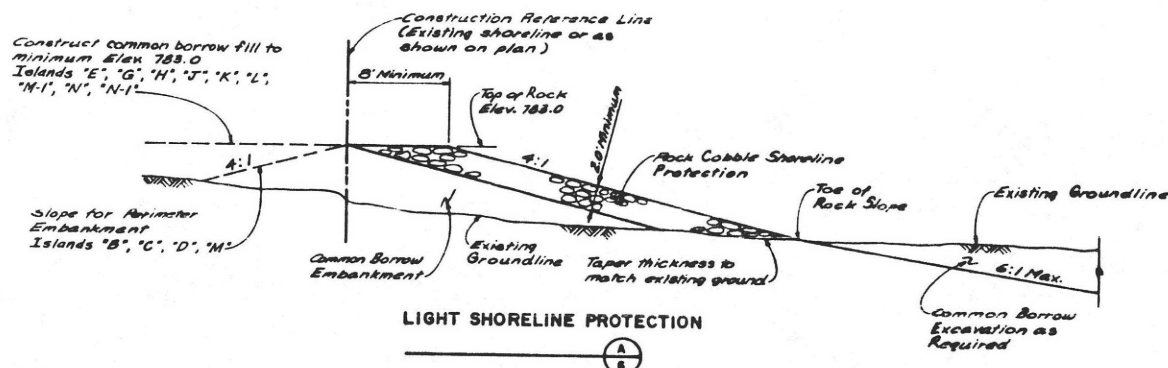
PUBLIC UTILITY DISTRICT NO. 1
DOUGLAS COUNTY, WASHINGTON

WELLS HYDROELECTRIC PROJECT

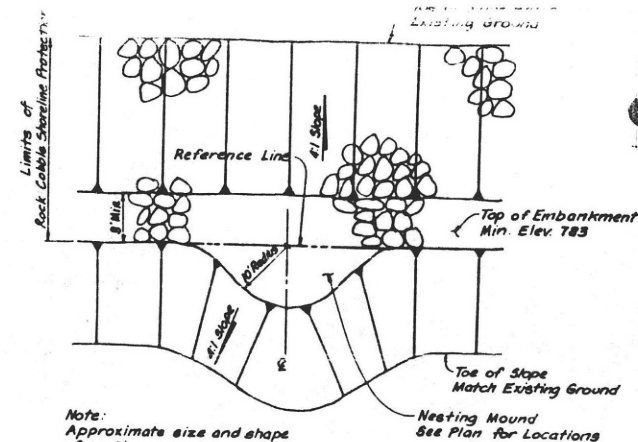
**WELLS RESERVOIR ISLAND:
KIRK ISLANDS**

DWG: TAP DATE: 5/25/82 SCALE: 1" = 100'
CWD: SPB DATE: 6/25/82

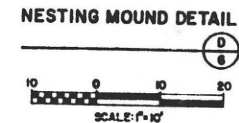




TYPICAL SECTIONS

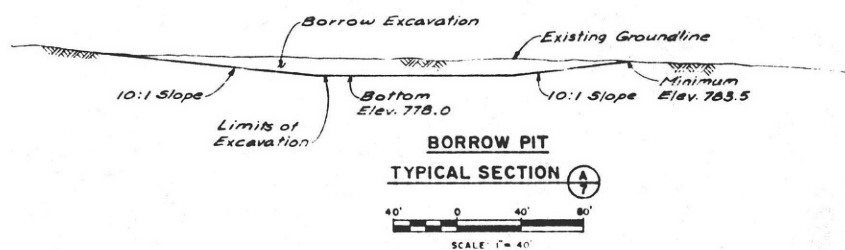
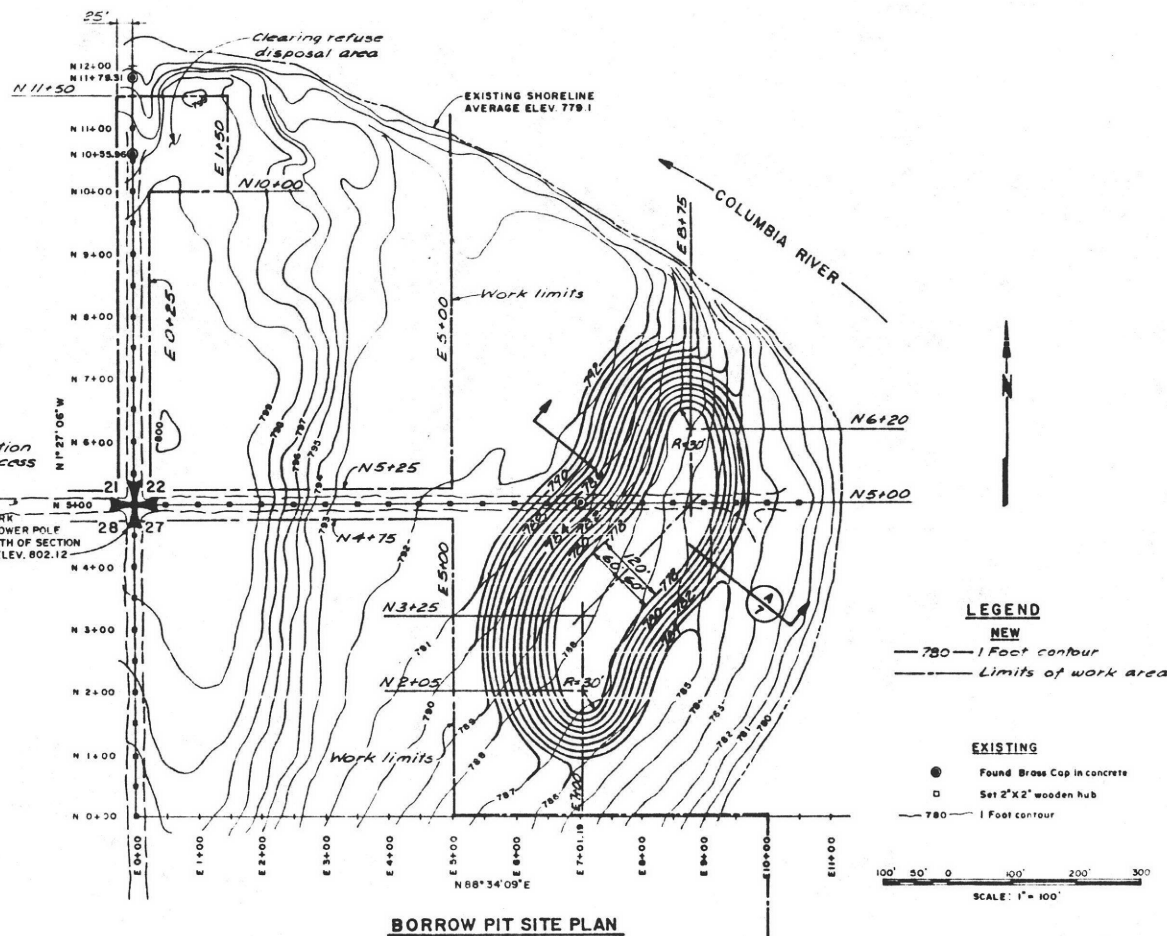


Note: Approximate size and shape of nesting mounds may vary. The desired effect is a mound extending landward from, and equal to the height of the embankment.



SVERDRUP & PARCEL AND ASSOCIATES, INC. CONSULTING ENGINEERS		
PUBLIC UTILITY DISTRICT NO. 1 DOUGLAS COUNTY, WASHINGTON		
WELLS HYDROELECTRIC PROJECT		
WELLS RESERVOIR ISLANDS TYPICAL SECTIONS		
DRAWN: TJA	DATE: 5/28/82	SCALE: AS SHOWN
CHKD: SPG	DATE: 6/25/82	DRAW NO: WRI-5260R





SVERDRUP & PARCEL AND ASSOCIATES, INC.
CONSULTING ENGINEERS

PUBLIC UTILITY DISTRICT NO. 1
DOUGLAS COUNTY, WASHINGTON
WELLS HYDROELECTRIC PROJECT

**WELLS RESERVOIR ISLANDS
BORROW PIT SITE PLAN**

DWK: TAR DATE: 8/28/82 SCALE: AS SHOWN
CHD: SPA DATE: 8/28/82



Director: Carl N. Crouse
Assistant Director: David N. Aldred

Chief of Staff: [illegible]

Arthur S. Coffey, Wildlife Division
Harold A. Feltz, Fisheries
Edward G. Gorman, Quilley
James R. Hays, [illegible]
Glen G. [illegible]
Glenn B. [illegible]

DEPARTMENT OF GAME

600 North Capitol Way, Olympia, Washington 98504

August 9, 1972

Fred W. Lieberg, Manager
Public Utility District #1
Douglas County
East Wenatchee, Washington 98801

Dear Mr. Lieberg:

Thank you for your most recent letter indicating the district's willingness to develop two areas for public access to Wells Project lands bordering Okanogan River.

These developments, about river miles 13 and 16, appear to assure the public a legal means for reaching your Okanogan River project lands. Completing the district's development responsibility, as stated, will provide considerable recreational use this fall and winter.

With completion of these developments, we also believe public use of other Wells Project lands along Okanogan River will increase. This opinion is predicated on the text of Federal Power Commission Order Issuing License, issued July 12, 1962, which includes Form L-6 issued December 15, 1953, and allows under Article 7, "So far as is consistent with proper operation of the project, the Licensee shall allow the public free access, to a reasonable extent, to project waters and adjacent project lands owned by the Licensee for the purpose of full public utilization of such lands and waters for navigation and recreational purposes, including hunting and fishing, and ...".

We are pleased to see this development proposal, and if we can be of assistance, do not hesitate to contact representatives in our Wenatchee regional office, or Mr. Duane Eldred in Moses Lake.

Sincerely,

Carl N. Crouse
Carl N. Crouse, Director
THE DEPARTMENT OF GAME

CNC:hy

cc: Duane Eldred, Aquatic Biologist
John R. Kanz, Regional Supervisor
Larry Coniff, Assistant Attorney General
Federal Power Commission